





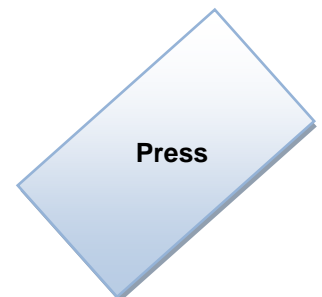
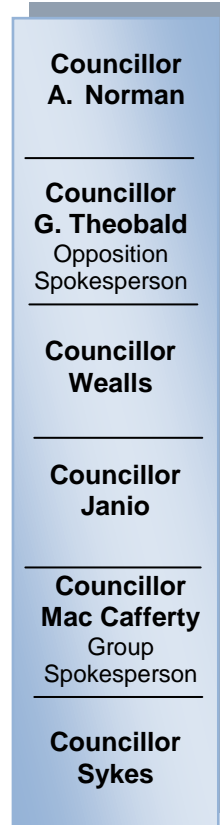
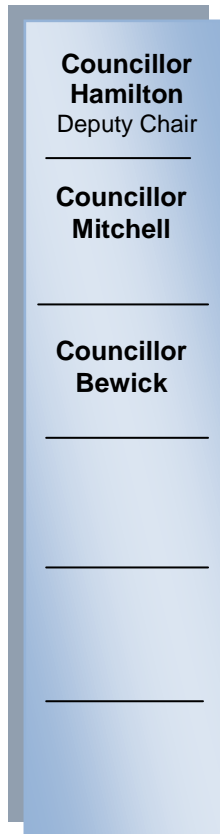
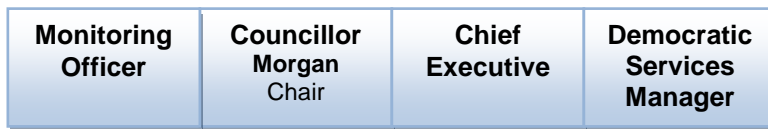
Brighton & Hove  
City Council

# Policy, Resources & Growth Committee

Title:	<b>Policy, Resources &amp; Growth Committee</b>
Date:	<b>8 December 2016</b>
Time:	<b>4.00pm</b>
Venue	<b>Council Chamber, Hove Town Hall, Norton Road, Hove, BN3 3BQ</b>
Members:	<b>Councillors:</b> Morgan (Chair), Hamilton (Deputy Chair), G Theobald (Opposition Spokesperson), Mac Cafferty (Group Spokesperson), Bewick, Janio, Mitchell, A Norman, Sykes and Wealls
Contact:	<b>Ross Keatley</b> Democratic Services Manager 01273 291064 ross.keatley@brighton-hove.gov.uk

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# Democratic Services: Policy, Resources & Growth Committee



**Public Seating**



**Public Seating**



## AGENDA

### PROCEDURAL MATTERS

#### 72 PROCEDURAL BUSINESS

**(a) Declaration of Substitutes:** Where Councillors are unable to attend a meeting, a substitute Member from the same Political Group may attend, speak and vote in their place for that meeting.

**(b) Declarations of Interest:**

- (a) Disclosable pecuniary interests;
- (b) Any other interests required to be registered under the local code;
- (c) Any other general interest as a result of which a decision on the matter might reasonably be regarded as affecting you or a partner more than a majority of other people or businesses in the ward/s affected by the decision.

In each case, you need to declare

- (i) the item on the agenda the interest relates to;
- (ii) the nature of the interest; and
- (iii) whether it is a disclosable pecuniary interest or some other interest.

If unsure, Members should seek advice from the committee lawyer or administrator preferably before the meeting.

**(c) Exclusion of Press and Public:** To consider whether, in view of the nature of the business to be transacted, or the nature of the proceedings, the press and public should be excluded from the meeting when any of the following items are under consideration.

**NOTE:** *Any item appearing in Part Two of the Agenda states in its heading the category under which the information disclosed in the report is exempt from disclosure and therefore not available to the public.*

*A list and description of the exempt categories is available for public inspection at Brighton and Hove Town Halls.*

#### 73 MINUTES

1 - 18

To consider the minutes of the meeting held on 13 October 2016 (copy attached).

Contact Officer: Ross Keatley

Tel: 01273 291064

**74 CHAIR'S COMMUNICATIONS**

**75 CALL OVER**

- (a) Items 78 - 93 will be read out at the meeting and Members invited to reserve the items for consideration.
- (b) Those items not reserved will be taken as having been received and the reports' recommendations agreed.

**GENERAL MATTERS**

**76 PUBLIC INVOLVEMENT**

**19 - 24**

To consider the following matters raised by members of the public:

- (a) **Petitions:** to receive any petitions presented by members of the public to the full Council or at the meeting itself.
  - (i) Save the Dyke Pub – Lead petitioner Ms. Sigfrid. Petition debated at full Council on the 20 October 2016 and referred to the committee (copy attached).
- (b) **Written Questions:** to receive any questions submitted by the due date of 12 noon on the 1 December 2016.
- (c) **Deputations:** to receive any deputations submitted by the due date of 12 noon on the 1 December 2016.

*Contact Officer: Ross Keatley*

*Tel: 01273 291064*

**77 MEMBER INVOLVEMENT**

**25 - 28**

To consider the following matters raised by councillors:

- (a) **Petitions:** to receive any petitions submitted to the full Council or at the meeting itself;
- (b) **Written Questions:** to consider any written questions;
- (c) **Letters:** to consider any letters;
  - i) Letter from Councillors Mac Cafferty and Sykes – Disposal of Land on the Downland Estate (copy attached)
- (d) **Notices of Motion:** to consider any Notices of Motion referred from Council or submitted directly to the Committee.

Disposal of Land on the Downland Estate

- i) Disposal of Land on the Downland Estate – Proposed by Councillor Mac Cafferty (copy attached)

## **POLICY, RESOURCES & GROWTH COMMITTEE**

### **FINANCIAL MATTERS**

- 78 TARGETTED BUDGET MANAGEMENT (TBM) 2016/17 MONTH 7 29 - 92**
- Report of the Executive Director for Finance & Resources (copy attached).
- Contact Officer: Nigel Manvell Tel: 01273 293104*  
*Ward Affected: All Wards*
- 79 BUDGET PLANNING & RESOURCE UPDATE - DRAFT PROPOSALS 2017/18 - 2019/20 93 - 216**
- Report of the Executive Director for Finance & Resources (copy attached).
- Contact Officer: Heather Bentley Tel: 01273 291244*  
*Ward Affected: All Wards*
- 80 COUNCIL TAX REDUCTION REVIEW 217 - 286**
- Report of the Executive Director for Finance & Resources (copy attached).
- Contact Officer: John Francis Tel: 01273 291913*  
*Ward Affected: All Wards*
- 81 TREASURY MANAGEMENT POLICY STATEMENT 2016/17 287 - 300**  
**(INCLUDING ANNUAL INVESTMENT STRATEGY 2016/17) –MID YEAR REVIEW**
- Report of the Executive Director for Finance & Resources (copy attached).
- Contact Officer: James Hengeveld Tel: 01273 291242*  
*Ward Affected: All Wards*
- CONTRACTUAL MATTERS**
- 82 STREET LIGHTING INVEST TO SAVE PROJECT 301 - 352**
- Report of the Executive Director for Economy, Environment & Culture (copy attached).
- Contact Officer: Gill Packham Tel: 01273 291202*  
*Ward Affected: All Wards*
- 83 TRAFFIC SIGNAL CONTRACT 353 - 358**
- Report of the Executive Director for Economy, Environment & Culture (copy attached).
- Contact Officer: Sean Power Tel: 01273 290544*  
*Ward Affected: All Wards*

## POLICY, RESOURCES & GROWTH COMMITTEE

- 84 WHEELED BINS FOR RECYCLING 359 - 412**
- Report of the Executive Director for Economy, Environment & Culture together with an extract from the meeting of the Environment, Transport & Sustainability Committee meeting held on 11 October 2016 (copies attached).
- Contact Officer: Richard Bradley Tel: 01273 294701*  
*Ward Affected: All Wards*
- 85 RESIDENTIAL CHILD CARE, FOSTER CARE AND SEN EDUCATION PLACEMENTS 413 - 476**
- Report of the Executive Director for Families, Children & Learning (copy attached).
- Contact Officer: Steve Dillow Tel: 01273 291019*  
*Ward Affected: All Wards*
- GENERAL MATTERS**
- 86 PROGRESS UPDATE AGAINST CORPORATE KEY PERFORMANCE INDICATORS Q2 2016/17 477 - 538**
- Report of the Chief Executive (copy attached).
- Contact Officer: Rima Desai Tel: 01273 291268*  
*Ward Affected: All Wards*
- 87 COMMITTEE TIME TABLE 2017/18 539 - 554**
- Report of the Executive Lead Officer for Strategy, Governance & Law (copy attached).
- Contact Officer: Mark Wall Tel: 01273 291006*  
*Ward Affected: All Wards*
- STRATEGIC & POLICY MATTERS**
- 88 RESPONSE TO THE REPORT OF THE FAIRNESS COMMISSION 555 - 652**
- Executive Lead Officer, Strategy, Governance and Law (copy attached) together with an extract of the proceedings of the Neighbourhoods, Communities & Equalities Committee meeting held on 28 November 2016 (to follow).
- Contact Officer: Nicky Cambridge Tel: 01273 234041*  
*Ward Affected: All Wards*
- 89 LOCAL HEALTH & SOCIAL CARE INTEGRATION 653 - 660**
- Report of the Chief Executive (copy attached).
- Contact Officer: Geoff Raw Tel: 01273 297329*  
*Ward Affected: All Wards*

## POLICY, RESOURCES & GROWTH COMMITTEE

### 90 TUPE TRANSFERS AND TRADE UNION RECOGNITION & INVOLVEMENT 661 - 670

Report of the Executive Director for Finance & Resources (copy attached).

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

### 91 DRAFT HOUSING ALLOCATIONS POLICY 671 - 804

Report of Executive Director, Economy, Environment & Culture (copy attached) together with an extract from the proceedings of the Housing & New Homes Committee meeting held on 16 November 2016 (to follow).

Contact Officer: James Crane Tel: 01273 293316  
Ward Affected: All Wards

### 92 HOUSING DELIVERY OPTIONS - LIVING WAGE JOINT VENTURE 805 - 866

Report of Executive Director, Economy, Environment & Culture (copy attached) together with an extract from the proceedings of the Housing & New Homes Committee meeting held on 16 November 2016 (to follow).

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

### 93 HOUSING DELIVERY OPTIONS - WHOLLY OWNED HOUSING COMPANY 867 - 882

Report of Executive Director, Economy, Environment & Culture (copy attached) together with an extract from the proceedings of the Housing & New Homes Committee meeting held on 16 November 2016 (to follow).

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

### 94 ITEMS REFERRED FOR COUNCIL

To consider items to be submitted to the 15 December 2016 Council meeting for information.

*In accordance with Procedure Rule 24.3a, the Committee may determine that any item is to be included in its report to Council. In addition, each Group may specify one further item to be included by notifying the Chief Executive no later than 10.00am on 5 December 2016 (the eighth working day before the Council meeting to which the report is to be made), or if the Committee meeting takes place after this deadline, immediately at the conclusion of the Committee meeting.*

**PART TWO**

**STRATEGIC & POLICY MATTERS**

**95 HOUSING DELIVERY OPTIONS - LIVING WAGE JOINT VENTURE - 883 - 888  
EXEMPT CATEGORY 3**

Part Two appendix to the Housing Delivery Options – Joint Venture report (Item 93 on Part One of the agenda). (Circulated to Members only).

*Contact Officer: Martin Reid*

*Tel: 01273 293321*

*Ward Affected: All Wards*

**PROCEDURAL MATTERS**

**96 PART TWO PROCEEDINGS**

To consider whether the items listed in Part Two, Item 95, of the agenda and decisions thereon should remain exempt from disclosure to the press and public.

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For further details and general enquiries about this meeting contact Ross Keatley, (01273 291064, email [ross.keatley@brighton-hove.gov.uk](mailto:ross.keatley@brighton-hove.gov.uk)) or email [democratic.services@brighton-hove.gov.uk](mailto:democratic.services@brighton-hove.gov.uk)

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## **POLICY, RESOURCES & GROWTH COMMITTEE**

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Date of Publication - Wednesday, 30 November 2016



**BRIGHTON & HOVE CITY COUNCIL**

**POLICY, RESOURCES & GROWTH COMMITTEE**

**4.00pm 13 OCTOBER 2016**

**COUNCIL CHAMBER, HOVE TOWN HALL, NORTON ROAD, HOVE, BN3 4AH**

**MINUTES**

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

**PART ONE**

**44 PROCEDURAL BUSINESS**

**(a) Declarations of Substitutes**

44.1 Councillor Robins was present in substitution for Councillor Mitchell.

**(b) Declarations of Interest**

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

**(c) Exclusion of Press and Public**

44.3 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.

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

**45 MINUTES**

45.1 **RESOLVED** – That the Chair be authorised to sign the minutes of the previous meeting held on 11 July 2016.

**46 CHAIR'S COMMUNICATIONS**

46.1 The Chair gave the following communications:

“Welcome to the first meeting of the Policy, Resources & Growth Committee in this refurbished Hove Town Hall. Can I thank all of the staff involved over the past two

years in getting this massive project to near completion with such professionalism and determination alongside their normal work commitments? I don't think it's too much to say that this is an historic step for the City Council marking a new way of working both for staff and for members with some significant investment in new and modern ways of working. Taken together with the move and sale of King's House it will save the City Council over £1 million/ year. Can I also take this opportunity to congratulate Nick Hibberd on his new role as an Executive Director and to look forward to Larissa Reed and Rob Persey joining the streamlined Executive Leadership Team early in the New Year. I'd like to thank all of those Members from each of the parties who took part in the three interview panels in September.

We are now the Policy, Resources & Growth Committee and one of our key priorities must be to grow our economy, grow our partnerships, grow our communities and grow our influence nationally and internationally. Many of the reports we have here today; Greater Brighton, Better Brighton and Hove, Seafront Investment, Workforce Equalities and more all contribute towards those goals. It's the job of all of us; Councillors, partners, media and public to be proud of our city and to be sure we present it to the outside world in a positive way. We need investors like John Lewis to bring their business here. We need tourist and conferences, students and new residents who add value to our city to keep coming here. Where we get it wrong we have to make it right, not give up. Where we have challenges we should face up to them and not give in. The world is changing quickly and we owe it to our residents not to delay and not to get left behind."

#### 47 CALL OVER

47.1 The following items were reserved for discussion:

- Item 50 – Targetted Budget Management (TBM) 2016/17 Month 5
- Item 51 – 4 Year Funding Settlement and Efficiency Plan
- Item 52 – Brighton & Hove Music and Arts Service Alternative Governance
- Item 53 – Youth Contracts
- Item 54 – Greater Brighton Economic Board 2015/16 Annual Report
- Item 56 – Better Brighton & Hove
- Item 57 – Single Homeless and Rough Sleeper Accommodation & Support Services Remodelling & Tender
- Item 58 – Procurement of Occupational Health & Employee Assistance Services Contracts
- Item 60 – The Council's Corporate Waste and Recycling Service Provision
- Item 62 – Workforce Equalities Report 2015/16
- Item 64 – Report on Learning from the Planning & Building Control Service Redesign
- Item 65 – Seafront Investment Plan 2016-2021
- Item 66 – King's House – Appropriation for Planning Purposes
- Item 67 – Royal Pavilion Estate Capital Project Progress Up-Date

47.2 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 55 – Orbis Partnership

Item 59 – Collaborative Partnering – Procurement of New Construction Strategic Partnership  
Item 61 – Public Toilets Contracts  
Item 63 – Revised Recruitment and Selection Policy

**48 PUBLIC INVOLVEMENT**

48.1 The Chair noted there were no items listed under Public Involvement.

**49 MEMBER INVOLVEMENT**

49.1 The Chair noted there were no items listed under Member Involvement.

**50 TARGETTED BUDGET MANAGEMENT (TBM) 2016/17 MONTH 5**

50.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Targetted Budget Management (TBM) 2016/17 Month 5. The Targetted Budget Monitoring (TBM) report was a key component of the Council's overall performance monitoring and control framework. The report set out an indication of forecast risks as at Month 5 (August) on the Council's revenue and capital budgets for the financial year 2016/17.

50.2 In response to questions from Councillor Sykes the following responses were provided. In relation to the base budget there were a number of fluctuating factors during the financial year as well as other areas that were based off assumptions. In relation to the consideration of next year's budget, work was already being undertaken with service leads in areas with demand pressures to ensure projections were calculated accurately. All of this work was considered through the Members' Budget Group; as well as reports through the Committee in December and February. 2017/18 was due to be one of the most challenging years for Council financially.

50.3 In response to further questions from Councillor Sykes in relation to temporary accommodation costs it was explained that there were two main strands of works being undertaken. The first related to the allocation of supported housing and the sharing of some accommodation between Housing and Adult Social Care Services; which was considered good corporate working. In relation to a final query the projected £2.9M related to the shortfall on savings to be made and additional demand pressures.

50.4 In response to questions from Councillor Wealls it was explained that the DCLG had undertaken consultation in relation to Business Rates; the Council had responded, but the main concern related to appeals. The Council were of the view that the risks associated should be offset by Central Government. In relation to collection rates, these were currently at approximately 98.5% and the majority of non-collections related to businesses failing and folding. Where reliefs were offered the collection rates tended to remain high as the Council had relationships with the business organisationally. In terms of performance the authority was performing at a level in the middle of the league table, this was considered good given the number of start-up businesses in the city, Officers agreed to send a copy of the national league table to the Committee.

- 50.5 In response to further questions from Councillor Wealls it was acknowledged that the Planning Service had been through a challenging period, and this had impacted on the financial performance of the service; the work to raise standards was ongoing.
- 50.6 Councillor Hamilton stated that the general fund budget was nearly always different by the end of the financial year. He noted that the level of business rates had increased for the city, but also highlighted the complexity of this revenue stream. The greatest concern related to the increase of the variance from month 2, and this continued to be in Children's and Adults Services; the variance needed to be at zero by the end of the financial year.
- 50.7 In response to Councillor Janio it was explained that the budget the Council set annually was subject to change as it could fluctuate under the impact of factors such as changes in Central Government policy.
- 50.8 In response to Councillor Mac Cafferty it was explained that the authority was already working closely with health colleagues to identify risks and there was an open dialogue to better align budgets. The Better Care Fund submission had been signed off and approved, and the work on the detailed allocation between health and social care was now being considered.
- 50.9 The Chair highlighted that the Bike Share Scheme costs were to be met through grant funding and not Council funded.
- 50.10 The Chair put the recommendations to the vote.
- 50.11 **RESOLVED:**
- 1) That the Committee note the forecast risk position for the General Fund, which indicates an in-year budget pressure of £3.916m. This includes a pressure of £0.232m 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 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 £0.864m.
  - 4) That the Committee note the forecast risk position for the Dedicated Schools Grant which is an underspend of £0.009m.
  - 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 forward funding of Local Growth Fund Grant to the preferred Bike Share scheme provider up to a maximum value of £1.160m as set out in Paragraphs 6.3 to 6.5.

- 7) That the Committee approves a budget transfer (virement) of £0.257m to reallocate 2016/17 pressure funding from the Community Care – Learning Disabilities budget to the Physical Support budget as set out in Appendix 2 (Health & Adult Social Care section).

## **51 4 YEAR FUNDING SETTLEMENT AND EFFICIENCY PLAN**

- 51.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to 4 Year Funding Settlement and Efficiency Plan. As part of the December 2015 Spending Review, the Secretary of State for Communities and Local Government made an offer to Councils to take up a 4-year funding settlement for the period 2016/17 to 2019/20. To accept this offer, an 'Efficiency Plan' was required to be prepared and published by 14 October 2016. The report proposed that the offer was accepted as it would create some certainty of resources and was consistent with the Council's approach to its Medium Term Financial Strategy, 4-year Integrated Service & Financial Plans and modernisation programme. The government guidance was clear that the plan should draw heavily on existing plans and decisions, and provide a clear link to them. It was noted that the report would be considered at the Council meeting on 20 October 2016.
- 51.2 Councillor Sykes noted that most other local authorities were expected to take up the offer from Central Government; however, whilst the flexibility around the use of capital receipts was welcome, he was of the view that the settlement offered little else that was new for local authorities. On balance he felt that the Council should accept the proposal as it would provide the opportunity for greater planning; however, he noted that the position of the Green Party nationally would be to continue to resist budget reductions from Central Government; as such the Green Group would abstain from the vote.
- 51.3 The Chair noted that the proposal fulfilled a promise from the previous Secretary of State to give local authorities more ability to plan, and he hoped that accepting the recommendation in the report would provide greater clarity.
- 51.4 Councillor G. Theobald noted that many local authorities had been asking for this level of clarity for some years, and he stated that the Conservative Group welcomed and supported the initiative.
- 51.5 Councillor Hamilton noted that the settlement usually came out in December, and he hoped this initiative would give more security and allow for better planning.
- 51.6 The Executive Director for Finance & Resources noted that the proposed response would be politically neutral, but highlight the ongoing budget pressures the authority had to carefully manage.
- 51.7 The Chair put the recommendations to the vote; the recommendations were carried with 8 votes in favour and 2 abstentions.
- 51.8 **RESOLVED TO RECOMMEND**

That Council agrees to submit the Efficiency Plan at Appendix 1 to satisfy the conditions of acceptance for the government's 4 year funding settlement for the period 2016/17 to 2019/20.

## 52 BRIGHTON & HOVE MUSIC AND ARTS SERVICE ALTERNATIVE GOVERNANCE

52.1 The Committee considered a report of the Executive Director for Families, Children & Learning in relation to Brighton & Hove Music and Arts Service Alternative Governance. The purpose of the report was to inform Members of the possible outcomes following the publication of a Prior Information Notice (PIN) in regards to Brighton & Hove Music and Arts Service (BHMA) and approve the subsequent action to be taken as set out in the report.

52.2 Councillor A. Norman noted that the Music & Arts Service had consistently delivered excellent opportunities for the city for a number of years, and a great deal of fundraising had taken place to protect the provision offered. Councillor A. Norman noted there were a number of legal and financial considerations to be worked through; however she supported the continuation of the service, but noted the Council needed to remain involved and help to ensure a long-term stable funding solution could be found.

52.3 Councillor Sykes noted that he supported the proposals in the report, and highlighted that the service was award winning. In response to queries it was explained that governance model sought to develop the service and strengthen the interaction with other areas of arts and culture in the city. Assurance was provided that fees and charges were not likely to significantly increase, and this would be monitored.

52.4 The Chair then put the recommendations to the vote.

52.5 **RESOLVED** – That the Committee:

- 1) Authorise the next steps in the procurement process following the publication of the PIN on 23 August 2016 as set out in 3.10.
- 2) Delegate authority to the Executive Director of Families, Children and Learning to award a contract for a term of up to 25 years, incorporating break provision exercisable at each 5 year interval to deliver the management of BHMA.

## 53 YOUTH CONTRACTS

53.1 The Committee considered a report of the Executive Director for Families, Children & Learning in relation to Youth Contracts. The purpose in the report was to receive a recommendation from the Children, Young People and Skills Committee made on 3 October 2016 that this Committee approve a procurement process to secure the provision of youth services on a neighbourhood open access based model and youth work supporting vulnerable young people for a period of three years commencing on 1 April 2017. This would secure the continuity of service provision. The Children, Young People and Skills Committee considered a report on 3 October 2016 on the development of a new delivery model for the provision of services to vulnerable and disadvantaged children in the form of a Youth and Employability Trust. The Committee



were approving of the direction of travel but have requested further information on a number of aspects thus deferring a decision on a number of recommendations.

- 53.2 Councillor Daniel highlighted the goal of moving towards an independent trust, and noted that the relationship to the trust required a new way of working. At the meeting of the Children, Young People & Skills Committee it was felt that the report lacked some of the information Members needed to make a fully informed decision. Both the Labour & Co-Operative Group and the Conservative Group had made strong indications that they were supportive of the work, and it was felt that the risks of not doing this would be significant. It had been agreed that a Member oversight group would be created to further development the proposals. However, it had been acknowledged that the commissioning of Youth Services in the city could not be delayed, the report before the Committee made it clear that the contracts would belong to the Trust when it was set up.
- 53.4 Councillor Wealls noted that he had been of the view there was scope to reform the model of the youth collective work for some time. He highlighted that the Children, Young People & Skills Committee had not felt it was able to take the decision without seeing a business plan. Whilst the Conservative Group were supportive of the proposals they wanted this to be backed up with a sound financial plan. Councillor Wealls noted that the view from the Lead Member was the funding stream would come from brokering apprenticeships, but there was no firm financial plan currently. He went on to state that increased Member oversight should help to ensure that all strands of this work were brought together effectively.
- 53.5 Councillor Sykes agreed that both the business plan and financial could be improved.
- 53.6 In response to Councillor Janio it was explained that the proposed direction of travel was towards a trust that was outside of the organisation in the long-term, but one which the Council had oversight of. Councillor Janio noted that he would like the final decision to come before Members.
- 53.7 The Chair then put the recommendations to the vote.
- 53.8 **RESOLVED:**
- (1) That delegated authority be granted to the Executive Director of Families, Children & Learning: to enter into a competitive procurement process to secure the provision of youth services on a neighbourhood open access based model and youth work supporting vulnerable young people for a period of three years commencing on 1 April 2017 in order to secure the continuity of service provision in the shorter term.
  - (2) That delegated authority be granted to the Executive Director of Families, Children & Learning to award and let the contracts for this procurement for a period of three years which contracts shall contain a provision providing for the transfer of those contracts to the Youth and Employability Trust in the event that the Trust is established in due course.

- 54.1 The Committee considered a report of the Executive Director for Economy, Environment & Culture in relation to Greater Brighton Economic Board 2015/16 Annual Report. The purpose of the report was to submit the Board's 2015/16 Annual Report, attached as Appendix 1, to Brighton & Hove City Council.
- 54.2 The Chair thanked the Officers that worked with the Board, and those that had worked on the devolution bid that had been submitted to Government. He went on to add the importance of working together on a regional basis, and highlighted the large investment sums that had been secured by the Board. The devolution agenda would help the authority and region address issues such as the housing shortage and keep the economy of the area growing. He noted the importance of the report and urged the Committee to read it in full.
- 54.3 The Chair then put the recommendations to the vote.
- 54.4 **RESOLVED** – That Policy, Resources & Growth Committee ('Committee') notes the content of the Board's 2015/16 Annual Report.

## 55 ORBIS PARTNERSHIP

- 55.1 **RESOLVED** – That the Committee note:
- 1) The key financial test has been met, i.e. that the trajectory of Orbis savings is sufficiently aligned with this council's requirements to make partnership working viable and desirable.
  - 2) Detailed work will now commence to integrate the council's corporate services into Orbis, and that progress will be communicated to the Orbis partnership and staff.
  - 3) By taking this decision now, the council will attain founding partner status and so have a stronger influence over how Orbis manages, shapes and develops its services; this will not be possible if a decision is delayed further.
  - 4) Services are likely to fully integrate at different times, given their relative complexity, and the relative progress made to date; there is more work to do on Property & Design in particular to make the case for integration.
  - 5) Investment resources required to achieve integration will need to be reviewed and factored into the 2017/18 budget round.
  - 6) In parallel, further assurance will be sought over high level financial requirements for ICT and systems investment.
  - 7) Existing Brighton & Hove staff will retain the council's terms and conditions and that trade unions will be recognised.
  - 8) Committee previously delegated authority to the Executive Director, Finance & Resources to agree the timings for services to integrate into the Orbis model of

delivery and to sign the Inter-Authority Agreement (IAA) once it is judged appropriate to do so, following consultation with the council's Lead Member for Orbis, the Council's Chief Executive and Monitoring Officer.

- 9) The two existing Orbis members will undertake due diligence with Brighton & Hove as an integral part of the integration plan, process and activities before all parties are in a position to enter into a binding Inter-Authority Agreement.

## 56 BETTER BRIGHTON & HOVE

- 56.1 The Committee considered a report of the Executive Lead Officer for Strategy, Governance & Law in relation to Better Brighton & Hove. The report proposed the establishment of a new "think tank" called "Better Brighton & Hove" for the Council and city. Better Brighton & Hove was the product of a proposal initiated by a local charity, The Pebble Trust, to create an independent "think tank" with charitable trust status to generate ideas and propose solutions to meet the challenges facing Brighton & Hove as a city. The proposal allowed the Council to access additional resources, capacity and expertise to analyse and tackle priority issues in the city. It was also updated that the proposal in the report to have an elected Member on the board would no longer be taken forward, following discussion with the three Group Leaders.
- 56.2 In response to a series of questions from Councillors Wealls and G. Theobald the following was explained. The proposal to set up the think tank had come from a resident in the city who recognised the challenges that the Council was facing financially, this was in the context of the organisation no longer being able to make provision for a large policy function. It was envisaged that the work of the think tank would report through the Leaders' Group to provide Member oversight. The Council had undertaken a due diligence exercise and were confident the organisation would be able to have funds in place to support the work, and it was envisaged that having partners such as the two universities on the board would open additional funding streams. It was highlighted that the Council would not dictate the policy work that was undertaken; rather it would be able to make suggestions for the think tank to consider.
- 56.3 Councillor Janio welcomed the report, but was of the view that the think tank should be independent of politicians; he also had concerns that the Council would be able to choose the priorities for the work commissioned. The Chair provided assurance that, whilst the Council could make suggestions, it would be up to the board to decide what word to commission, and this would not be directed on a political criterion.
- 56.4 Councillor Daniel stated her view that this was an exciting opportunity and the Committee should welcome the interest to make the city a better place; this could be an invaluable resource for the Council's Leadership Team. In response to queries it was explained that as the trust would be independent they would be will within their remit to reject ideas put forward from the Council. It was also clarified that they would not be undertaking research directly, rather commissioning it
- 56.5 Councillor Sykes welcomed the report, and just exercised caution that the Council should monitor its resource input.

56.6 The Chair then put the recommendations to the vote, with the agreed proposal to not have an elected Member on the board; this was carried with 9 in support and 1 abstention.

56.7 **RESOLVED** – That the Committee:

- 1) Agree in principle the proposal to set up Better Brighton & Hove following the completion of due diligence processes;
- 2) Delegate the power to the Chief Executive, after consultation with the Monitoring Officer and Section 151 Officer, to take all steps necessary or incidental to the establishment of Better Brighton & Hove;
- 3) Note that the Leaders Group will receive regular progress updates as well as the work of the Trust when established.

**57 SINGLE HOMELESS AND ROUGH SLEEPER ACCOMMODATION & SUPPORT SERVICES REMODELLING & TENDER**

57.1 The Committee considered a report of the Executive Director for Neighbourhoods, Communities & Housing in relation to Single Homeless and Rough Sleeper Accommodation & Support Services Remodelling & Tender. The report detailed the proposed remodelling and retendering of services to meet the changing needs of homeless people, target resources and improve the outcomes for this section of the population. This remodelling proposal included: commissioned accommodation and support services for homeless people and rough sleepers, and hostel accommodation and support services which were directly provided by Brighton & Hove City Council. It was also noted that the report had been considered by the Housing & New Homes Committee on 21 September 2016.

57.2 Councillor Daniel welcomed the report and highlighted the work that Councillor Moonan had undertaken as the lead on homelessness. The report allowed the authority to move forward to reduce the number of rough sleepers and the time they spent sleeping rough. The role of the authority was to do its best with the resources available and work to influence other stakeholders and the paper pulled together the evidence base. Councillor Daniel noted that from her own experience she was confident the initiative would reduce the ‘revolving door’ of people not progressing in hostel accommodation, and the move towards assessing rough sleepers indoors in ‘pop-up beds’ was seen as a humane step forward. Councillor Daniel hoped that the report could be agreed cross-party, and in closing she noted that the proposal to accommodate homeless people in empty properties during the winter was not a safe solution, and this ‘warehousing’ was not supported by the Administration.

57.3 Councillor Mac Cafferty expressed concern that the report proposed a reduction in the number of beds, and this was at odds with the aims of the initiative. He felt the tone of the report was one that sought to ‘manage cuts’ rather than fully address the problem. He also went on to highlight the concerns of local actions teams (LATs) and that they expected the homelessness problems in the city to be addressed. He noted that the Green Group could not support the report in full if it proposed a reduction in the overall number of beds.

- 57.4 In response to Councillor Mac Cafferty and Councillor Sykes it was clarified that whilst the report did propose a reduction in the number of beds this was in the context of the current provision not meeting the needs of the service users in the city. The service needed to be more focused on moving people through hostels into more permanent accommodation and the report was the means to achieve this. It was also highlighted that the authority needed specialised providers of services to achieve the outcomes based monitoring and move people through to more permanent accommodation.
- 57.5 Councillor Janio highlighted the importance of the report before the Committee, and went on to add that the Council should do everything within its power to assist rough sleepers. He welcomed the report, and it was agreed that further information on the financial implications could be forwarded on after the meeting.
- 57.6 In responds to Councillor A. Norman it was confirmed that the Council worked closely with the Armed Forces Network in relation to ex-servicemen who were rough sleepers.
- 57.7 Councillor Robins noted he had sat on the original Scrutiny Panel that looked at this area, and he commended the report.
- 57.8 The Chair then put each recommendation in the report to the vote individually: recommendations 2.4, 2.5, 2.7, & 2.8 were agreed unanimously and recommendation 2.6 was agreed with 8 in support and 2 against.
- 57.9 **RESOLED** - That the Committee agree the following:
- 1) That the commissioning and procurement plans from October 2016 should be aligned with priorities within the Rough Sleeping Strategy 2016, the Council's Housing Strategy 2015, the Homelessness Strategy 2014-19, and the Council's priorities for the integration of social care and health through Better care;
  - 2) That the procurement and remodelling process outlined in the report for 2016-17 and 2017-18 be agreed;
  - 3) That the directly provided (in-house) services which are identified in Section 4 of this report be included within the tender for the new accommodation and support model;
  - 4) That Policy, Resources and Growth Committee agree to the extension of existing contracts that are included in the service re-model to ensure continuity of service whilst procurement activity is being completed;
  - 5) That authority be delegated to the Executive Director for Health, Adult & Social Care to procure and enter into any contract to secure effective delivery of support services for vulnerable people as outlined in Section 3 of the report, having consulted with the Executive Directors for Economy, Environment & Culture, Neighbourhoods, Communities & Housing, Families, Children & Learning and the Monitoring Officer.

**58 PROCUREMENT OF OCCUPATIONAL HEALTH & EMPLOYEE ASSISTANCE SERVICES CONTRACTS**

- 58.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Procurement of Occupational Health & Employee Assistance Services Contracts. The report recommended calling off two contracts from the Surrey County Council SCC RN Employee Health and Well Being Framework (the "Surrey Framework Agreement") for the continuation of the occupational health and staff counselling services when the existing contract comes to an end. The Surrey Framework Agreement commenced on 1 January 2016 and expires on the 31 January 2020. The proposed call off contracts would each be 4 years in duration and would run from April 2017 to March 2021.
- 58.2 In response to Councillor Wealls it was explained that performance matters would be monitored through the contract and there was an assurance Group that both Officers and the provider sat on. In response to a further question it was agreed that additional information could be send to the Committee on how performance was measured and how the existing contract had performed.
- 58.3 Councillor Hamilton welcomed the savings that could be achieved through joint commissioning with other local authorities.
- 58.4 The Chair then put the recommendations to the vote.
58. **RESOLVED** - That the Committee authorises the Assistant Director – Human Resources and Organisational Development to procure and award two contracts under the Surrey Framework Agreement for: (i) an occupational health and wellbeing service and; (ii) an employee assistance service, each with a duration of four (4) years.

**59 COLLABORATIVE PARTNERING – PROCUREMENT OF NEW CONSTRUCTION STRATEGIC PARTNERSHIP**

- 59.1 **RESOLVED** – That the Committee:
- 1) Approves the procurement of a framework agreement for a new Construction Strategic Partnership comprising four 'lots' including; 1) a Constructor; 2) consultant Quantity Surveyor; 3) consultant Structural Engineer; and 4) consultant Health & Safety Advisor for a term of 5 years with the option to extend for a further 2 years subject to satisfactory performance.
  - 2) Grants delegated authority to the Executive Director Economy, Environment and Culture following consultation with the Executive Director Finance & Resources:
    - a) to carry out the procurement of the framework agreement referred to in 2.1 above including the award and letting of the framework agreement;
    - b) to enter into any subsequent call-off contracts to the framework agreement referred to in 2.1 above should he/she consider it appropriate at the relevant time; and

- c) to approve the extension to the framework agreement , if required, dependent on satisfactory performance.

## 60 THE COUNCIL'S CORPORATE COMMERCIAL WASTE AND RECYCLING SERVICE PROVISION

- 60.1 The Committee considered a report of the Executive Director for Economy, Environment & Culture in relation to the Council's Corporate Commercial Waste and Recycling Service Provision. The purpose of the report was to seek approval for Cityclean to provide the Council's commercial waste refuse, disposal and recycling services for the Council's civic offices, social care, historic, operational and commercial buildings following the expiry of the Council's existing contract, with the option for schools to opt into receiving such services under the new arrangements.
- 60.2 In response to Councillor Janio it was clarified that, on this occasion, the Council had chosen to not go through a procurement exercise, instead a service review had been undertaken and it was felt the service could best be provided in-house.
- 60.3 Councillor Sykes stated that he welcomed the report and the level of savings that could be achieved by providing the service in-house.
- 60.4 In response to Councillor Wealls it was explained that, as set out in the report, the four options to deliver the service were considered; in the context of City Clean looking to commercialise its services this was seen as a means to align services and achieve budget savings. The Chair also noted that was an opportunity to reduce traffic and congestion by reducing the number of refuse collection vehicles on the streets in the city.
- 60.5 Councillor Janio noted that the Conservative Group were of the view that such contracts should go through competitive tender to ensure the Council achieved the best value for money; however, they welcomed the savings that had been identified.
- 60.6 The Chair then put the recommendations to the vote; these were carried with 6 votes in support and 4 abstentions.
- 60.7 **RESOLVED** - That the Committee approves the proposal for Cityclean to deliver the council's corporate waste disposal and recycling service for the council's civic offices, social care, historic, operational and commercial buildings from 1 November 2016 with the option for schools to opt into receiving such services under the new arrangements.

## 61 PUBLIC TOILETS CONTRACT

- 61.1 **RESOLVED** - That the Committee authorise the Executive Director for Economy, Environment & Culture:
- (1) To carry out a procurement exercise for a new contract for the management of the City's public toilets and to award that contract for a term of ten (10) years; and
  - (2) To grant a two (2) year extension to the contract referred to in (1) above, subject to performance, at the relevant time.

**62 WORKFORCE EQUALITIES REPORT 2015/16**

- 62.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Workforce Equalities Report 2015/16. The purpose of this report was to provide Members with an overview of the findings following an analysis of the Council's workforce and other aspects of employment in relation to the following protected characteristics: ethnicity; disability; sex; sexual orientation; age and religion or belief. This report, which would be published on the external website, ensured compliance with the Council's statutory obligations.
- 62.2 Councillor Daniel highlighted that there was lots of positive news in the report, and felt the Committee should focus on the improvements that had been made. She noted that there were issues in relation to development and progression, and the organisation could be losing people that were otherwise capable of performing in more senior positions. Work needed to accelerate in relation to the shape of the organisation, and there was an important role for middle manager to steer this. The Trade Unions had highlighted that the Council needed to perform better in relation to mental health. The report also highlighted that options for staff to use occupational health services needed to be better communicated and advertised; however, the improved quality of the data allowed for a more robust action plan.
- 62.3 Councillor Janio welcomed the report and the continued development of the Council's workforce. He highlighted that the majority of the trends were in a positive direction.
- 62.4 The Chair then put the recommendations to the vote.
- 62.5 **RESOLVED** – That the Committee note the contents of the Workforce Equalities Report for 2015/16.

**63 REVISED RECRUITMENT AND SELECTION POLICY**

- 63.1 **RESOLVED** – That the Committee approve the new Recruitment and Selection Policy attached as Appendix 1.

**64 REPORT ON LEARNING FROM THE PLANNING & BUILDING CONTROL SERVICE REDESIGN**

- 64.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Report on Learning from the Planning & Building Control Service Redesign. In accordance with the recommendations from a Personnel Appeal Panel to the dispute lodged by Unison on behalf of some staff within the Planning Service, the purpose of the report was to provide an overview to the Committee on the key factors to this dispute and the organisational learning undertaken.
- 64.2 In response to Councillor Janio it was clarified that the learning from this issue related to the need for effective communication, and the ensure redesigns were delivered in a timely manner. In response to further questions from Councillor Wealls it was also explained that more specific work would be undertaken to look at how job evaluation panels operated and how they worked with the trade unions.



- 64.3 In response to Councillor G. Theobald it was clarified that the report only sought to update the Committee as per the recommendation of the Personnel Appeal Sub-Committee; it did not intend to provide an update of the performance of the service generally. By way of update it was explained that the completion times for the consideration of minor applications and the launching of a new ICT software system had both been very successful; the service was now moving to improve businesses processes and customer experience.
- 64.4 The Chair congratulated the continuous improvement of the Planning Service.
- 64.5 The Chair put the recommendation to the vote.
- 64.6 **RESOLVED** – That the Committee note the context of report and the organisational learning.

## 65 SEAFRONT INVESTMENT PLAN 2016-2021

- 65.1 The Committee considered a report of the Executive Director for Economy, Environment & Culture in relation to Seafront Investment Plan 2016-2021. The Policy & Resources Committee meeting on 22 January 2015 agreed the responses to the recommendations of the Seafront Infrastructure Scrutiny Panel. A key recommendation of the Scrutiny Panel was the development of a Seafront Investment Plan to identify potential investment, delivery and wider resource solutions to meet the challenges of the ageing seafront infrastructure. The report was a cover report to introduce the recently completed Seafront Investment Plan 2016 – 2021 which was attached in Appendix 1. It was also noted that the Committee were being asked to approve the plan, rather than note it as stated in the report.
- 65.2 The Chair highlighted the importance of the report and the necessity to preserve and enhance the seafront; which made the city an attractive place for to live and visit. He welcomed investment projects such as the refurbishment of Shelter Hall, and highlighted that some of the major projects would provide new jobs and income streams for the Council; all of this was essential to the future of the city.
- 65.3 Councillor Janio welcomed the report; however, he felt that, aside from the reference to the King Alfred, more mention could be made of the Hove seafront.
- 65.4 The Chair then put the recommendations to the vote.
- 65.5 **RESOLVED:**
- 1) That the Committee approves the Seafront Investment Plan 2016-21 attached as Appendix 1.
  - 2) That the Committee will receive further reports as the Seafront Investment Plan is implemented.

**66 KINGS HOUSE - APPROPRIATION FOR PLANNING PURPOSES**

- 66.1 The Committee considered a report of the Executive Director for Economy, Environment & Culture in relation to Kings House - Appropriation for Planning Purposes. In accordance with the draft Sale and Purchase Agreement for Kings House the Council was to consider the appropriation of the Kings House site for planning purposes. Section 3 of this report outlines the process and implications of appropriation.
- 66.2 Councillor G. Theobald welcomed the report that the building had been sold; he was pleased of the additional Member oversight proposed through the Leaders' Group.
- 66.3 In response to Councillor Mac Cafferty it was clarified that the section 122 was not time limited.
- 66.4 In response to Councillor Wealls it was explained that the purpose of the report sought to prevent injunctions delaying the sale and subsequent development of the site; instead affected parties could have the right to pursue compensation through a legal route.
- 66.5 The Chair then put the recommendations to the vote.
- 66.6 **RESOLVED** – That the Committee authorises in principle for the land at Kings House to be appropriated for planning purposes and that the final decision to appropriate be delegated to the Director of Economy, Environment and Culture and Assistant Director Property & Design, such decision to be made following grant of a satisfactory planning consent.

**67 ROYAL PAVILION ESTATE CAPITAL PROJECT PROGRESS UP-DATE**

- 67.1 The Committee considered a report of the Executive Director for Economy, Environment & Culture in relation to Royal Pavilion Estate Capital Project Progress Update. The report summarised the progress made to date on the project, and sought agreement to a new funding model that responded to the unsuccessful LEP funding bid and increased project costs while identifying the risks of not proceeding. This project was due to bring into the city additional funding of £17m which would be at risk should this project not proceed. The approval of the new funding model presented in the report would enable the project to proceed according to programme with an anticipated start of works on site in January 2017 subject to receipt of tender returns for the main contractor by 28 October 2016.
- 67.2 The Chair highlighted the importance of the report, and the importance of the building for the city.
- 67.3 In response to Councillor Mac Cafferty it was explained that the LEP funding bid had been unsuccessfully largely due to changes in the LEP's assessment criteria. There was now a stronger focus on projects that directly delivered employment and housing, and this project did not score as highly as others against that criteria. However, the LEP had indicated that it would consider a bid for underspend funding. The Chair provided assurance that the authority remained fully engaged with the LEP.

67.4 The Chair then put the recommendations to the vote.

67.5 **RESOLVED:**

- 1) That the Committee notes the progress made to date on the Royal Pavilion Estate capital project Phase 1 and approves:
  - a) The revised expenditure and funding model of £21.493m as detailed in the part 2 report (for the expenditure) and paragraph 3.14 (for the income).
  - b) Council borrowing of £2.704m to be financed by BDFL as set out in paragraph 3.14
  - c) Delegated authority to the Executive Director for Economy Environment & Culture and Executive Director Finance & Resources to increase the budget and implement the option of further borrowing capped at a level which is affordable for BDFL to finance (as set out in paragraphs 3.15, 3.16 and 7.2) should the tender cost estimates be higher than anticipated,
- 2) That Policy, Resources & Growth Committee notes the financial implications in section 7 and agrees that the Executive Director for Economy Environment & Culture and Executive Director Finance & Resources may implement the option of further borrowing to mitigate financial risks set out in paragraphs 7.3 and 7.5.

**68 ITEMS REFERRED FOR COUNCIL**

68.1 There were no items referred to Council for information.

**69 ROYAL PAVILION ESTATE CAPITAL PROJECT PROGRESS UP-DATE - EXEMPT CATEGORY 3**

69.1 **RESOLVED** – That the Committee agree to note the information contained in the Part Two appendix to item 67 on the main agenda.

**70 PART TWO MINUTES**

70.1 **RESOLVED** – That the Chair be authorised to sign the Part Two minutes of the previous meeting held on 11 July 2016.

**71 PART TWO PROCEEDINGS**

71.1 **RESOLVED:** That the information contained in the appendix, Items 69 to the report listed at Item 67 on the agenda and the minutes of the last meeting, Item 70, remain exempt from disclosure to the press and public.

The meeting concluded at 6.46pm

Signed

Chair

Dated this

day of

**Subject:** Petitions  
**Date of Meeting:** 8 December 2016  
**Report of:** Executive Lead for Strategy, Governance & Law  
(Monitoring Officer)  
**Contact Officer: Name:** Ross Keatley **Tel:** 29-1064  
**E-mail:** [ross.keatley@brighton-hove.qcsx.gov.uk](mailto:ross.keatley@brighton-hove.qcsx.gov.uk)  
**Wards Affected:** All

**FOR GENERAL RELEASE**

**1. SUMMARY AND POLICY CONTEXT:**

- 1.1 To receive those petitions presented to the Full Council and referred to the committee for consideration.
- 1.2 To receive any petitions to be presented or which have been submitted via the council's website or for which notice has been given directly to Democratic Services.

**2. RECOMMENDATIONS:**

- 2.1 That the Committee gives consideration to the petition request.
- 2.2 That the Committee responds to the petition either by noting it or writing to the petition organiser setting out the Council's views, or where it is considered more appropriate, calls for an officer report on the matter which may give consideration to a range of options, including the following:
  - taking the action requested in the petition
  - considering the petition at a council meeting
  - holding an inquiry into the matter
  - undertaking research into the matter
  - holding a public meeting
  - holding a consultation
  - holding a meeting with petitioners
  - referring the petition for consideration by the council's Health Overview & Scrutiny Committee
  - calling a referendum

**3. PETITIONS**

- 3.1 Referred petitions:
  - i) **Save the Dyke Pub**

Petition from Ms. Sigfrid referred from the Council meeting held on the 20 October 2016 (1,413 online signatures).

To receive the following Petition:

**“We the undersigned value the Dyke Pub as a community asset which furthers social wellbeing, and urge the council to accept the nomination as an Asset of Community Value so we can work to save this important and historic community venue for generations to come.**

The Dyke Pub has served the community for 121 years, but on September 3rd the doors closed and the next day it re-opened as a furniture shop. This happened in great secrecy. We, the local community were not consulted, and not even staff members knew. Under current planning law, the owners were able to do this legally, without full planning permission.

We want the pub to be a pub again! Sign the petition to show support for a nomination of the pub as an Asset of Community Value, which would give the building some protection under planning law, and could pave the way to make the building a pub again! Let's do what we can to save the historic Dyke pub so that it can be the great, historic community venue it should be!

The Dyke pub not only has historic value, it is also an important community meeting point for the wide community around it. The Dyke pub is used regularly by us, the community as a venue to meet new and old friends and as a regular meeting venue for a range of organisations, including PTAs, book clubs, reunions, sport and social clubs, Reigate road community organisation, Tivoli road community organisation and many others. It has been used regularly by these organisations for many years and as a meeting venue for organising local street parties, charity, fun days and other community events, bringing neighbours of all ages together. It is regularly used by families, young and old. The fact that many people today live far away from family makes the pub even more valuable as a warm community venue which reduces isolation, and is open and welcoming to all. The Dyke pub on Dyke road is a historic and important venue which has brought communities together for decades.”

- 3.2 Extract from the meeting of Council on 20 October 2016 attached as an appendix.

**Subject:** Save the Dyke Pub : Extract from the proceedings of the Council Meeting held on the 20 October 2016  
**Date of Meeting:** 8 December 2016  
**Report of:** Executive Lead for Strategy, Governance & Law  
**Contact Officer:** Name: Mark Wall Tel: 29-1006  
E-mail: [mark.wall@brighton-hove.gov.uk](mailto:mark.wall@brighton-hove.gov.uk)  
**Wards Affected:** All

**FOR GENERAL RELEASE**

***Action Required of the Policy, Resources & Growth Committee***

To receive the item referred from the Council for consideration.

**Recommendation:**

1. That the Committee give consideration to the petition's request.

**BRIGHTON & HOVE CITY COUNCIL****COUNCIL****4.30pm 20 OCTOBER 2016****COUNCIL CHAMBER, BRIGHTON TOWN HALL****MINUTES**

**Present:** Councillors West (Chair), Marsh (Deputy Chair), Allen, Atkinson, Barford, Barnett, Bell, Bennett, Brown, Cattell, Chapman, Cobb, Daniel, Deane, Druitt, Gibson, Gilbey, Greenbaum, Hamilton, Hyde, Hill, Horan, Inkipin-Leissner, Janio, Lewry, Littman, Mac Cafferty, Meadows, Mears, Miller, Mitchell, Moonan, Morgan, Morris, Nemeth, A Norman, K Norman, O'Quinn, Page, Peltzer Dunn, Penn, Phillips, Robins, Russell-Moyle, Simson, Sykes, Taylor, C Theobald, G Theobald, Wares, Wealls and Yates.

**31 PETITIONS FOR COUNCIL DEBATE****(b) SAVE THE DYKE PUB**

- 31.1 The Mayor stated that where a petition secured 1,250 or more signatures it could be debated at the council meeting, and invited Ms. Sigfrid as the lead petitioner to present the petition calling on the Council to recognise the Dyke pub as an asset of community value.
- 31.2 Ms. Redfern and Mr. Fardell thanked the Mayor and stated that they would be presenting the petition on behalf of the petitioners and noted that it had reached 1,413 signatures. Ms. Redfern stated that the local community had submitted an application for the pub to be listed as an asset of community value, in order to give them an opportunity to work with interested parties to have the pub restored to its original use. As things stood the current owners had simply closed the pub and reopened it as a furniture shop with no consultation or warning.
- 31.3 The Mayor thanked Ms. Redfern and called on Councillor Cattell to respond to the petition.
- 31.4 Councillor Cattell stated that the change of use was allowed due to the Government's change to permitted development rights last year. She had been advised by officers that the owner of the Dyke Pub followed the correct procedure in carrying out the change of use by writing to the local planning authority, 56 days before, to seek advice as to whether the pub had been nominated as an ACV and as no such nomination was received for the public house before or during the 56 day period, the developer was permitted to change the use of the pub to a shop.



- 31.5 She noted that the council had since received the community's nomination of the former pub as an ACV – and the petition in support of reinstatement of the pub would be noted when considering the nomination. In terms of looking forward the council recognised that pubs are often an important asset to local communities and officers were currently looking into the best approach to tackle the unwanted loss of pubs in the future.
- 31.6 The Mayor then opened the matter up for debate and the following Members expressed their views, Councillors Morris, Littman and G. Theobald.
- 31.7 In response to the debate Councillor Cattell stated that she had recently visited another authority to see how they were attempting to address the use of permitted rights so that similar issues could be prevented.
- 31.8 The Mayor then put the recommendation to refer the petition to the Policy, Resources & Growth Committee to vote which was agreed.
- 31.9 **RESOLVED:** That the petition be noted and referred to the Policy, Resources & Growth Committee for consideration at its meeting on 8<sup>th</sup> December 2016.



Councillor Warren Morgan  
Leader of the Council, and Chair of the Policy, Resources & Growth Committee  
Brighton & Hove City Council  
King's House

24 November 2016

Dear Councillor Morgan,

Brighton and Hove's downland estate is a unique legacy belonging to our city; the result of the selflessness and foresight of previous civic leaders. Our downland is a highly functional part of our immediate environment in its protection of our aquifer. It is of enormous importance for its landscape, biodiversity and heritage value.

Much of the downland estate is under national or international statutory designation for biodiversity and heritage. These designations include Sites of Special Scientific Interest, Special Areas of Conservation and Scheduled Monuments. There are also locally-designated sites in the form of nature reserves and local wildlife sites. In addition, significant areas of the estate have been opened to public access in perpetuity in the past few years, increasing its recreational value to our residents and visitors. While designations and rights of way cannot be changed other than by statute, their enforcement, protection and maintenance are a matter for increasingly cash-strapped public bodies. They are therefore at risk.

All Councillors have been made aware of the considerable disquiet about the ongoing programme of disposal of parcels of the downland estate, not only from a variety of conservation bodies but also members of the public. This programme of disposals was agreed to in committee meetings in July 2014 and in February 2016, as elements of papers seeking approval for the restoration and development of the Stanmer Park estate.

We recognise that Councillors from all our local political parties sat on the committees that passed these papers and had the opportunity then to oppose them. However we consider now that some details of the programme of land disposals would have benefitted from greater scrutiny.

This letter accompanies a Notice of Motion to this committee that requests work towards agreeing small changes to this council's policy and governance concerning land sales, with a view to raising the profile of sensitive disposals.

We welcome the suspension of the disposal of the two sites and the information that has been shared with conservation groups by the city council. A key request is made

separately in this letter namely that the disposal is halted of two large parcels of land whose sale remains to be finalised. The total area of these two parcels of land is 91.5 acres. We realise this will have implications for the capital resource available for council projects but consider this loss of resource to be relatively small when compared with the variation between projected sale value and achieved value in much of the rest of the programme of disposals, and therefore manageable.

We hope you will consider this request favourably.

Yours sincerely,



Councillor Phelim Mac Cafferty



Councillor Ollie Sykes

**NOTICE OF MOTION**

**GREEN GROUP**

**DOWNLAND ESTATE DISPOSALS**

We note that the downland estate has been preserved to protect our City's aquifer and is greatly valued for its biodiversity, heritage, landscape and amenity. Many of these unique characteristics are under statutory designation but in the current political climate this in itself does not guarantee protection.

There has been considerable concern expressed by members of the public and by conservation bodies at the planned sales of parcels of the downland estate. These sales have been developed under the auspices of our Asset Management Plan and aim to raise capital funds towards the restoration and development of Stanmer Park, as proposed in papers agreed by all parties in committee meetings in 2014 and 2016.

Notwithstanding the above, we consider that some elements of the decisions previously approved would have benefited from greater scrutiny at the time, and positive changes to the governance of downland estate disposals are desirable to increase the profile of such proposals.

We have requested, in an accompanying letter, the termination of the disposal of two parcels of land totalling 91.5 acres.

Furthermore we request:

- A review of respective sections of our Asset Management Plan as they concern downland asset definition and disposal;
- The involvement of local conservation bodies in this review;
- The suspension of the £250k threshold under which assets for sale have to come to PRG for approval, to apply only to downland estate assets.

Proposed by: Councillor Sykes

Seconded by: Councillor Mac Cafferty



<b>Subject:</b>	<b>Targeted Budget Management (TBM) 2016/17: Month 7</b>		
<b>Date of Meeting:</b>	<b>8 December 2016</b>		
<b>Report of:</b>	<b>Executive Director for Finance &amp; Resources</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Nigel Manvell</b>	<b>Tel: 29-3104</b>
	<b>Email:</b>	<b>Nigel.manvell@brighton-hove.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1 SUMMARY AND POLICY CONTEXT:**

- 1.1 The Targeted Budget Monitoring (TBM) report is a key component of the council's overall performance monitoring and control framework. This report sets out an indication of forecast risks as at Month 7 (October) on the council's revenue and capital budgets for the financial year 2016/17.
- 1.2 As set out in the General Fund Revenue Budget 2016/17 report to Budget Council, potential cost pressures of up to £18m were identified of which approximately £12m was provided for in the budget through 'service pressure funding'. The report highlighted that successful 'demand management' strategies would therefore be key to managing down cost pressures across Adult and Children's social care and Homelessness (temporary accommodation) in order to achieve financial balance in 2016/17. In recognition of this challenging position, £3m risk provisions were set aside to provide some mitigation against these risks.
- 1.3 The forecast risk for 2016/17 as at August is £3.450m on the General Fund, compared to £3.745m in May, reflecting the situation outlined above. This includes a pressure of £0.419m on the council's share of the NHS managed Section 75 services. The position continues to be driven by sustained pressures across Adults and Children's social care budgets and Homelessness. These services have developed recovery plans and measures to address pressures as far as practicable and this process will continue alongside recovery actions across the wider council in an attempt to pull the position back into balance over the remainder of the year.
- 1.4 The council has risk provisions of £3.000m available to mitigate the position, however restructure and redundancy costs are higher than anticipated which will be a first call against risk provisions. Utilising risk provisions to mitigate overspending is also to be avoided if at all possible as these resources are highly likely to be required to support future budget rounds as the financial challenges increase.

**2 RECOMMENDATIONS:**

- 2.1 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.

- 2.2 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.
- 2.3 That the Committee note the forecast for the Housing Revenue Account (HRA), which is an underspend of £1.466m.
- 2.4 That the Committee note the forecast risk position for the Dedicated Schools Grant which is an underspend of £0.215m.
- 2.5 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.
- 2.6 That the Committee approves the establishment of a Community Equipment Store reserve of £0.350m (see Adult Social Care section of Appendix 2).

### **3 RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:**

#### **Targeted Budget Management (TBM) Reporting Framework**

- 3.1 The TBM framework focuses on identifying and managing financial risks on a regular basis throughout the year. This is applied at all levels of the organisation from Budget Managers through to Policy, Resources & Growth Committee. Services monitor their TBM position on a monthly or quarterly basis depending on the size, complexity or risks apparent within a budget area. TBM therefore operates on a risk-based approach, paying particular attention to mitigation of growing cost pressures, demands or overspending together with more regular monitoring of high risk demand-led areas as detailed below.
- 3.2 The TBM report is normally split into 8 sections as follows:
  - i) General Fund Revenue Budget Performance
  - ii) Housing Revenue Account (HRA) Performance
  - iii) Dedicated Schools Grant (DSG) Performance
  - iv) NHS Controlled S75 Partnership Performance
  - v) Capital Investment Programme Performance
  - vi) Capital Programme Changes
  - vii) Implications for the Medium Term Financial Strategy (MTFS)
  - viii) Comments of the Director of Finance (statutory S151 officer)

#### **General Fund Revenue Budget Performance (Appendices 1 & 2)**

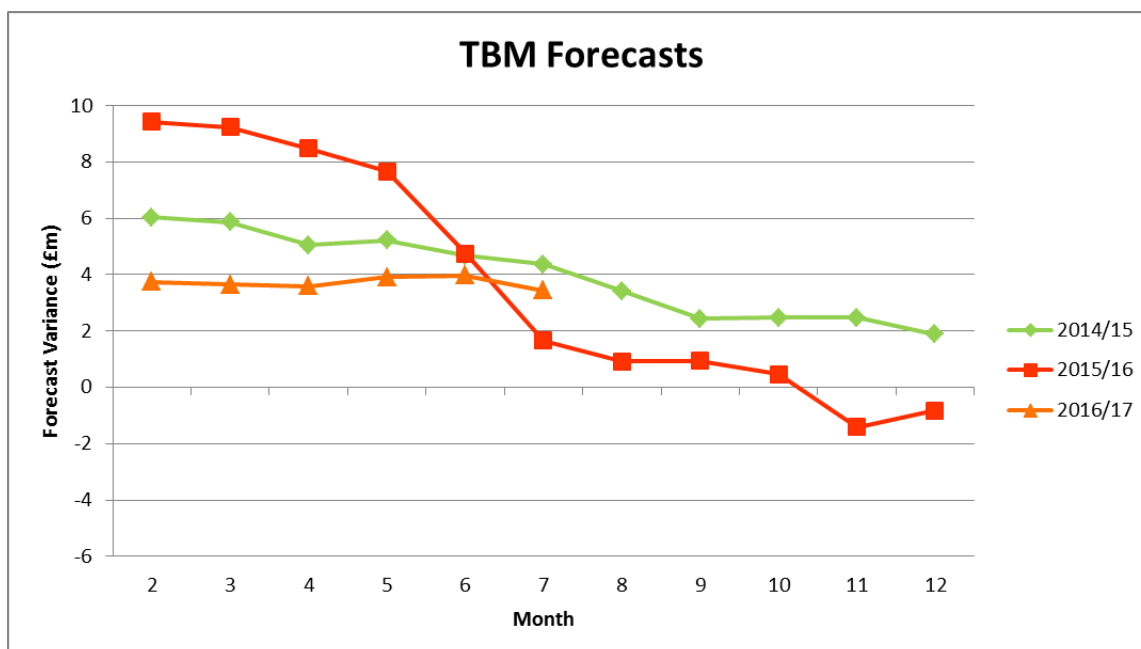
- 3.3 The table below shows the forecast outturn for Council controlled revenue budgets within the General Fund. These are budgets under the direct control and management of the Executive Leadership Team. A summary of the movement between Months 5 and 7 is shown in Appendix 1 and a more detailed explanation of the variances can be found in Appendix 2.



2016/17 Month 5 Variance £'000	Directorate	2016/17 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
3,803	Families, Children & Learning	81,969	85,512	3,543	4.3%
1,117	Health & Adult Social Care	51,180	52,357	1,177	2.3%
(269)	Economy, Environment & Culture	32,915	32,062	(853)	-2.6%
250	Neighbourhood, Communities & Housing	15,695	16,682	987	6.3%
(317)	Finance & Resources	20,595	20,241	(354)	-1.7%
70	Strategy, Governance & Law	5,566	5,554	(12)	-0.2%
4,654	Sub Total	207,920	212,408	4,488	2.2%
(738)	Corporate Budgets	7,435	6,397	(1,038)	-14.0%
3,916	Total General Fund	215,355	218,805	3,450	1.6%

*Note: Since Month 5 services for adults with learning disabilities have transferred from Health & Adult Social Care (HASC) to Families, Children & Learning (FCL). The Month 5 variances above have been re-stated to reflect this and therefore the Month 5 variance for FCL is £2.785m higher than previously reported to committee and the HASC variance is lower by the same amount.*

- 3.4 The General Fund includes general council services, corporate budgets and central support services. Corporate budgets include centrally held provisions and budgets (e.g. insurance) as well as some cross-cutting value for money savings targets. Note that General Fund services are accounted for separately to the Housing Revenue Account (Council Housing). Note also that although part of the General Fund, financial information for the Dedicated Schools Grant is shown separately as this is ring-fenced to education provision (i.e. Schools).
- 3.5 The chart below shows the monthly forecast variances for 2016/17 and the previous two years for comparative purposes. To ensure a like for like comparison of the underlying position, the data for the previous two years excludes the allocation of risk provisions and the one-off Minimum Revenue Provision adjustment of £2.328m in 2015/16.

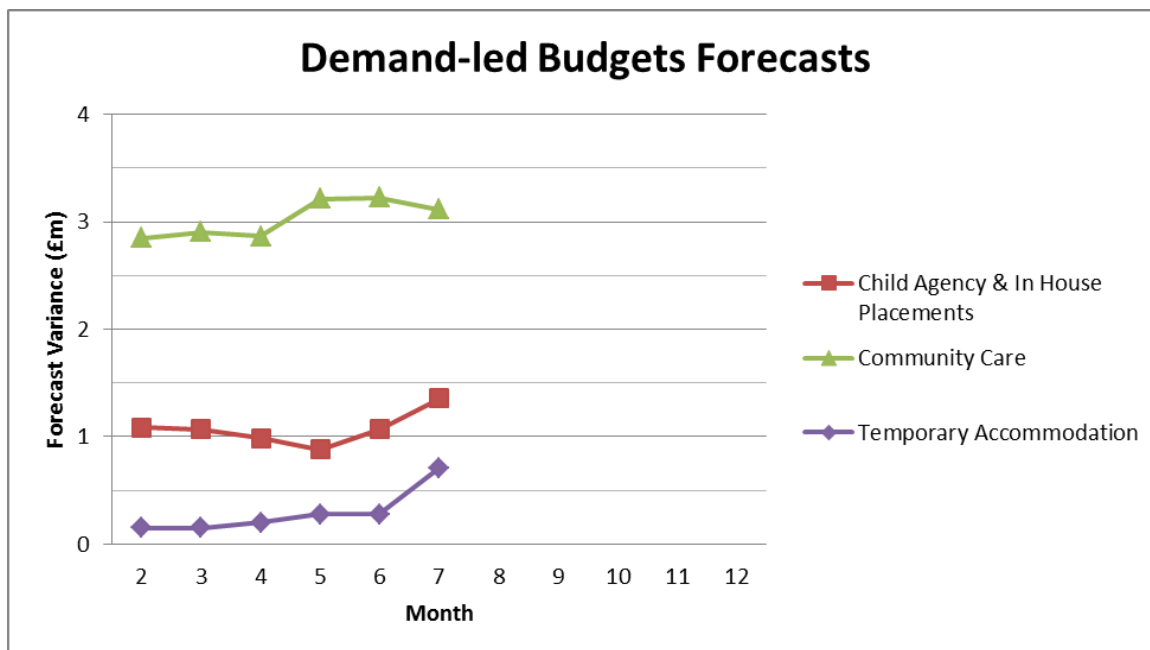


### Demand-led Budgets

- 3.6 There are a number of budgets that carry potentially higher financial risks and therefore could have a material impact on the council's overall financial position. These are significant budgets where demand or activity is difficult to predict and where relatively small changes in demand can have significant implications for the council's budget strategy. These therefore undergo more frequent and detailed analysis.

2016/17 Month 5 Variance £'000	Demand-led Budget	2016/17 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
881	Child Agency & In House Placements	19,556	20,914	1,358	6.9%
3,216	Community Care	48,973	52,089	3,116	6.4%
277	Temporary Accommodation	1,459	2,170	711	48.7%
4,374	Total Demand-led Budget	69,988	75,173	5,185	7.4%

The chart below shows the monthly forecast variances on the demand-led budgets for 2016/17.



### Summary of the position at Month 7

The main pressures reported at Month 7 continue to be across Children’s and Adults Social Care and Homelessness (Temporary Accommodation) as follows:

**3.7 Children’s Services:** The initial forecast budget risk across Families, Children and Learning was £2.534m primarily resulting from increased demand pressures on services for Children in Care and social work cost pressures continuing through from last year. Subsequently the directorate has put together a financial recovery plan to address the financial risks. This recovery plan identified £1.535m of potential cost reductions to improve the forecast position which would give an outturn of £0.999m. There still remain significant financial pressures on services for Children in Care and social work as well as emerging risks in the Home to School Transport budget, Youth Service and Nurseries that will need to be closely monitored. In addition the transfer of services for Adults with Learning Disabilities from the Health & Adult Social Care Directorate has added £2.552m to the overspend.

The current projected position has identified potential cost pressures of £2.552m on services for adults with learning disabilities, £0.232m on social work staffing and £1.463m on placement budgets. Together with risks of £0.242m on Home to school transport, £0.100m on Early Years and other underspending budgets of £1.046m, explaining the forecast risk of £3.543m as at Month 7.

**3.8 Adults Services:** The service is facing significant financial challenges in 2016/17 in mitigating the risks arising from the sustained pressures in 2015/16 and managing in-year demands. This is alongside delivering a significant budget savings programme and developing integration plans through the Better Care Fund.

- The forecast TBM risk at Month 7 of £1.177m after identifying recovery measures which have helped to contain the forecast risk. Recovery measures are focused on attempting to manage demands on and costs of community care placements across Assessment Services and making the most efficient use of available funds. The forecast risk includes the following main elements that are described in more detail in Appendix 1:

- The main area of forecast risk concerns service pressures identified at the beginning of the year (and highlighted in the General Fund Revenue Budget report as noted above) which relate to increased complexity of need, increasing numbers of older people being discharged from hospital requiring social care services for the first time, pressures on the provider services' budget and Deprivation of Liberty Standards (DoLS) cases. At Month 7 there is a significant residual risk of £1.177m relating to these pressures.
- Note that the in-year forecast does not include any one-off funding contributions. In previous years, one-off contributions have been received from the Care Act implementation funds and the Better Care Fund (£3.548m in 2015/16). At this stage it is not anticipated that any additional funds will be made available in 2016/17 due to pressures on the Integrated Community Equipment service but this will kept under review.
- The forecast includes the part year effect of the increase in care home fees. In order to manage the local market and address the significant under-supply of providers in the city who will accept publicly funded residents, fee increases were essential.
- Of the approved budget savings for 2016/17 of £4.352m, all are being forecast as achievable.
- Service pressure funding of over £3m, including the Adult Social Care precept, was applied in 2016/17 and has been used to fund budget pressures resulting from increased demands and complexity, DoLS, the national living wage and fee rates.

The funding of all care packages is scrutinised for Value for Money, ensuring that eligible needs are met in the most cost-effective manner which will not always meet people's aspirations. This forms a key part of the savings implementation plan. Adult Services are also using benchmarking information to support the driving down of unit costs but are faced with increased complexity and demand (demographic) growth which is also a national picture. Through regional and other social care networks the service has been looking at best practice in delivering cost effective services in order to influence future direction - this includes demand management strategies and identifying opportunities through Housing provision.

**3.9 Housing Services and Temporary Accommodation:** Although the council is accepting a full housing duty for a similar level of households as previously (around 420 per annum), the actual numbers of households in temporary accommodation is increasing because there are limited opportunities to move these households out of temporary accommodation into other alternative longer term forms of accommodation. This is due to a mixture of shortage of supply, unaffordable rents in the private sector and policy changes within ASC commissioning affecting the allocation of supported beds. Given the high cost housing market and welfare reforms, prevention of homelessness has been challenging but has been successful in preventing demand for temporary accommodation increasing further (i.e. the level of homeless acceptances has been maintained).

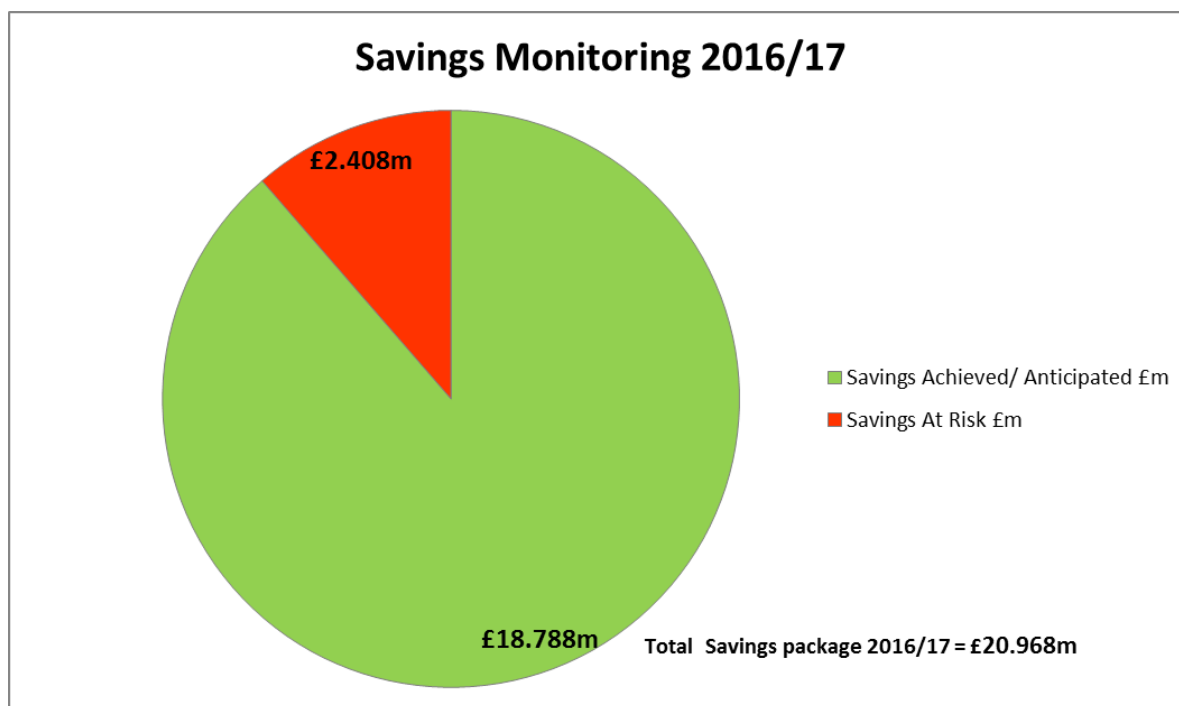
The service is currently completing a large decanting programme of approximately 200 leased units of temporary accommodation with one provider. Two thirds of these properties have been decanted and handed back with the remainder expected by the end of the financial year. In addition, the level of general handbacks is high due to a high cost housing market which is leading landlords to sell. This has a significant impact as:

- reprovision to replace lost units means that additional growth of leased property is at a standstill and so new demand can only be absorbed by spot purchase
- reprovision is at an increased cost as the housing market is now more expensive
- There are costs associated with the handback of a large number of units which include dilapidation and void costs
- Some units of provision were diverted to ASC to assist with an emergency situation

The current projection is an overspend of £0.711m, (of which £0.335m relates to the managed risk identified at budget setting) and takes account of the use of a one-off contingency sum of £0.100m as well as identified recovery measures of £0.416m. These measures include the use of one off specific temporary accommodation reserves, vacancy management, improving moving on from temporary accommodation, using HRA assets awaiting redevelopment as temporary accommodation as well as utilising £0.200m of DCLG funding for early prevention work and financial incentives to landlords and applicants.

### **Monitoring Savings**

- 3.10 The savings package approved by full Council to support the revenue budget position in 2016/17 was £20.968m. This is a very large savings package and follows five years of substantial packages totalling nearly £98m. Achievement of savings programmes and actions in 2016/17 will be closely monitored to ensure satisfactory progress and, so far as possible, to avoid adding to financial pressures in future years through non-achievement.
- 3.11 Appendix 2 includes a summary of savings in each directorate and indicates in total what is anticipated/achieved or is at risk. Appendix 3 summarises the position across all directorates and presents the entire savings programme. The chart below provides a summary of the position as at Month 5. This shows that delivery of the savings programme of £20.968m for 2016/17 is expected to be significantly on track with approximately £2.408m at risk. Mitigation of these risks is included in the development of services' financial recovery actions. The majority of 'at risk' savings are within the Families, Children & Learning directorate as detailed in Appendix 2.



*Note: Savings achieved/anticipated includes an overachievement of savings of £0.136m.*

### **Housing Revenue Account Performance (Appendix 2)**

- 3.12 The Housing Revenue Account is a separate ring-fenced account which covers income and expenditure related to the management and operation of the council's housing stock. Expenditure is generally funded by Council Tenants' rents. The forecast outturn is an underspend of £1.466m and more details are provided in Appendix 2.

### **Dedicated Schools Grant Performance (Appendix 2)**

- 3.13 The Dedicated Schools Grant (DSG) is a ring-fenced grant which can only be used to fund expenditure on the schools budget. The schools budget includes elements for a range of services provided on an authority-wide basis including early years education provided by the Private, Voluntary and Independent (PVI) sector, and the Individual Schools Budget (ISB) which is divided into a budget share for each maintained school. The forecast outturn is an underspend of £0.215m and more details are provided in Appendix 2. Under the Schools Finance Regulations any underspend must be carried forward to support the schools budget in future years.

### **NHS Managed S75 Partnership Performance (Appendix 2)**

- 3.14 The NHS Trust-managed Section 75 Services represent those services for which local NHS Trusts act as the Host Provider under Section 75 Agreements. Services are managed by Sussex Partnership Foundation Trust (SPFT) and include health and social care services for Adult Mental Health and Memory and Cognitive Support Services.
- 3.15 This partnership is subject to separate annual risk-sharing arrangements and the monitoring of financial performance is the responsibility of the respective host NHS Trust provider. Risk-sharing arrangements result in financial implications for the council where a partnership is underspent or overspent at year-end and hence the performance of the partnership is included within the forecast outturn for the Health & Adult Social Care directorate. The council's forecast contribution to the risk share for 2016/17 is currently £0.419m and more details are provided in Appendix 2.

## Capital Programme Performance and Changes

- 3.16 The table below provides a summary of capital programme performance by Directorate and shows that there is a forecast overspend of £0.289m at this stage. More details are provided in Appendix 4.

2016/17 Month 5 Variance £'000	Capital Budgets	2016/17 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Families, Children & Learning	17,339	17,339	0	0.0%
0	Health & Adult Social Care	489	489	0	0.0%
0	Economy, Environment & Culture	47,068	47,068	0	0.0%
328	Neighbourhood, Comms & Housing	4,590	4,918	328	7.1%
96	Housing Revenue Account	46,885	46,846	(39)	-0.1%
0	Finance & Resources	3,572	3,572	0	0.0%
0	Strategy, Governance & Law	0	0	0	0.0%
0	Corporate Services	0	0	0	0.0%
424	<b>Total Capital</b>	<b>119,943</b>	<b>120,232</b>	<b>289</b>	<b>0.2%</b>

(Note: Summary may include minor rounding differences)

- 3.17 Appendix 4 shows the changes to the budget and Appendix 5 provides details of new schemes for 2016/17 to be added to the capital programme which are included in the budget figures above. Policy, Resources and Growth Committee's approval for these changes is required under the council's Financial Regulations. The following table shows the movement in the capital budget since approval at TBM5.

Capital Budget Movement Summary	2016/17 Budget £'000
Budget Approved at TBM Month 5	124,977
Reported at other Policy & Resources committees since Month 5	1,828
New schemes to be approved in this report (see Appendix 5)	701
Variations (to be approved - see Appendix 4)	98
Reprofiles (to be approved - see Appendix 4)	(6,912)
Slippage (to be approved - see Appendix 4)	(749)
<b>Total Capital Budget</b>	<b>119,943</b>

- 3.18 Appendix 4 also details any slippage into next year, which project managers have forecast that £0.749m of the capital budget will slip into the next financial year at this stage.

## Implications for the Medium Term Financial Strategy (MTFS)

- 3.19 The council's MTFS sets out resource assumptions and projections over a longer term. It is periodically updated including a major annual update which is included in the annual revenue budget report to Policy, Resources & Growth Committee and full Council. This section highlights any potential implications for the current MTFS arising from in-year TBM monitoring above and details any changes to financial risks together with any impact on associated risk provisions, reserves and contingencies. Details of Capital Receipts and Collection Fund performance are also given below because of their potential impact on future resources.

### Capital Receipts Performance

- 3.20 Capital receipts are used to support the capital programme. Any changes to the level of receipts during the year will impact on future years' capital programmes and may impact on the level of future investment for corporate funds and projects such as the Strategic Investment Fund, Asset Management Fund, Customer First in a Digital Age and the Workstyles VFM projects. The planned profile of capital receipts for 2016/17, as at Month 7, is £12.220m against which there have been receipts of £1.794m in relation to a lease extension at Hartington Road, land at Park Wall Farm, Falmer, 11 Little East Street plus some minor lease extensions at the Marina and the sale of Lions Court with the capital receipt ringfenced for investment into the housing capital programme.
- 3.21 The forecast for the 'right to buy sales' in 2016/17 (after allowable costs, repayment of housing debt and forecast receipt to central government) is that an estimated 50 homes will be sold with a maximum useable receipt of £0.500m to fund the corporate capital programme and net retained receipt of £3.013m available to re-invest in replacement homes. To date 28 homes have been sold in 2016/17.

A total of £1.339m receipts from the housing Local Delivery Vehicle (LDV) has been received during October 2016. This is the final batch of receipts and no further tranches are due for this particular project. The net receipts are ringfenced to support investment in council owned homes.

### Collection Fund Performance

- 3.22 The collection fund is a separate account for transactions in relation to council tax and business rates. Any deficit or surplus forecast on the collection fund relating to council tax is distributed between the council, Sussex Police and Crime Commissioner and East Sussex Fire Authority, whereas any forecast deficit or surplus relating to business rates is shared between the council, East Sussex Fire Authority and the government.
- 3.23 The council tax collection fund is forecast to be in surplus by (£0.765m) at year end which incorporates a brought forward surplus of (£0.376m). Other main changes in the forecast during the year are a greater than forecast reduction in Council Tax Reduction awards (£0.300m), increased income from new properties and banding changes (£0.150m), and increased severely mentally impaired exemptions £0.050m. The council's share of the overall forecast council tax surplus is (£0.654m).
- 3.24 The business rates collection fund is forecast to be in deficit by a further £0.504m increasing the total deficit forecast to £3.737m at year-end, which incorporates a brought forward deficit of £1.378m. The increase this month mainly arose from new appeals lodged in the last two months being higher than anticipated and an assessment being reclassified by the VOA on its use resulting in the rateable value



reducing by 54% backdated to the start of 2014 leading to reduced business rates of £0.218m. The main reason for the overall deficit during the year is a greater reduction in the 2016/17 liability being forecast from the impact of appeals and a higher provision being anticipated for losses in collection. Business rates income continues to be difficult to forecast due to the backlog of appeals. The number of appeals outstanding at the end of October totalled 842 (down from 1,094 at 31/3/16) of which 457 were lodged before 01/04/15. The council's share of the overall forecast business rates deficit is £1.831m.

- 3.25 The council's share of the combined net deficit across both collection funds is £1.177m and this will need to be included in the budget forecast for 2017/18.

#### **4 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 4.1 The provisional outturn position on the General Fund is an overspend of £3.450m. This includes a pressure of £0.419m on the council's share of the NHS managed Section 75 services. Risk provisions of £3.000m are available to substantially mitigate the position if the risk cannot be addressed by year-end. Any overspend above this level at the year-end would 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 2017/18.

#### **5 COMMUNITY ENGAGEMENT & CONSULTATION**

- 5.1 No specific consultation has been undertaken in relation to this report.

#### **6 CONCLUSION AND COMMENTS OF THE DIRECTOR OF FINANCE (S151 OFFICER)**

- 6.1 The General Fund Revenue Budget 2016/17 report to full Council in February, which set out the budget for approval, indicated that cost pressures arising from increasing costs and demands, particularly across social care, were likely to add costs of around £18m. Through a combination of savings programmes (totalling over £20m) and taxbase increases, including the Adult Social Care precept, the council was able to provide £12m funding toward these cost pressures requiring effective demand management strategies to manage the residual risk.
- 6.2 The forecast risk at Month 7 remains manageable in the context of the expected level of risk and given that there is still sufficient time to take further corrective action. However, the underlying pressures on social care are of concern and will have implications for next year's budget. Demand management alone is unlikely to bring the budget into balance this year and therefore mitigating actions across the wider council will be deployed to improve the position. Consideration will also be given to bringing forward savings proposals already identified in the 4-year Integrated Service & Financial Plans where practicable and subject to necessary approvals.
- 6.3 It should also be noted that the one-off cost of facilitating the 2016/17 £21m savings package is higher than anticipated in terms of severance costs for staff exiting the authority following service redesigns and consultation. To date, over 220 staff have been released on redundancy, all of which have been assessed by the Officer Compensation Panel to ensure that all cases met the council's business case criteria for a good value for money decision (i.e. maximum 2-year payback from associated net savings). The Restructure & Redundancy provision has been exceeded by £0.400m and this is expected to increase to approximately £0.600m. This one-off cost will be a first call on the £3.000m risk provision.

## 7 FINANCIAL AND OTHER IMPLICATIONS

### Financial Implications:

- 7.1 The financial implications are covered in the main body of the report. Financial performance is kept under review on a monthly basis by the Cross-Party Budget Review Group and the management and treatment of forecast risks is considered by the Audit & Standards Committee.

Finance Officer Consulted: Jeff Coates                      Date: 13/11/16

### Legal Implications:

Decisions taken in relation to the budget must enable the council to observe its legal duty to achieve best value by securing continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. The council must also comply with its general fiduciary duties to its Council Tax payers by acting with financial prudence, and bear in mind the reserve powers of the Secretary of State under the Local Government Act 1999 to limit Council Tax & precepts.

Lawyer Consulted: Elizabeth Culbert                      Date: 22/11/16

### Equalities Implications:

- 7.2 There are no direct equalities implications arising from this report.

### Sustainability Implications:

- 7.3 Although there are no direct sustainability implications arising from this report, the council's financial position is an important aspect of its ability to meet Corporate Plan and Medium Term Financial Strategy priorities. The achievement of a break-even position or better is therefore important in the context of ensuring that there are no adverse impacts on future financial years from performance in 2016/17.

### Risk and Opportunity Management Implications:

- 7.4 The Council's revenue budget and Medium Term Financial Strategy contain risk provisions to accommodate emergency spending, even out cash flow movements and/or meet exceptional items. The council maintains a recommended minimum working balance of £9.000m to mitigate these risks. The council also maintains other general and earmarked reserves and contingencies to cover specific project or contractual risks and commitments.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Revenue Budget Movement since Month 5
2. Revenue Budget Performance
3. 2016/17 Savings Progress
4. Capital Programme Performance
5. New Capital Schemes

### **Documents in Members' Rooms:**

None.

### **Background Documents**

None.



Appendix 1 – Revenue Budget Movement Since Month 5

Service	2016/17	Forecast		Explanation of Main Movements
	Month 5	Month 7	Movement	
	Variance	Variance		
	£'000	£'000	£'000	
Director of Families, Children & Learning	0	0	0	
Health, SEN & Disability Services	2,633	2,465	(168)	Reduction in numbers of adult learning disability clients
Education & Skills	315	254	(61)	Holding vacancies in the Youth Service and additional savings within access to education
Children's Safeguarding & Care	855	854	(1)	
Quality Assurance & Performance	0	(30)	(30)	Savings identified within the Family Group Conference budget and vacancies being held.
<b>Total Families, Children &amp; Learning</b>	<b>3,803</b>	<b>3,543</b>	<b>(260)</b>	
Adult Social Care	1,102	978	(124)	Due to a reduction in clients within Residential Services
Integrated Commissioning	(142)	(145)	(3)	
S75 Sussex Partnership Foundation Trust (SPFT)	232	419	187	This is due to an increase in the cost of new residential and nursing placements.
Public Health	(75)	(75)	0	
<b>Total Health &amp; Adult Social Care</b>	<b>1,117</b>	<b>1,177</b>	<b>60</b>	
Transport	(432)	(876)	(444)	Significant movement in parking income forecasts following increased demand for various permit types and increased demand for on-street and barrier car park income during the peak summer months, particularly at central areas and Regency Square car park following the opening of the i360
City Environmental Management	8	(52)	(60)	Improved forecast position within City Clean of £0.052m due to a review of service budgets following the Summer period
City Development & Regeneration	159	312	153	Adverse movement on development application income following review of demand and increased employee and agency costs to meet government set timescales and to support service modernisation and transformation.

Appendix 1 – Revenue Budget Movement Since Month 5

Service	2016/17	Forecast	Movement	Explanation of Main Movements
	Month 5	Month 7		
	Variance	Variance		
	£'000	£'000	£'000	
Culture	(73)	(177)	(104)	Revised visitor income forecasts have resulted in an adverse movement of £0.201m which has been offset by one-off exhibition income and vacancy management within the Royal Pavilion and Museum service. Improvements of £0.064m to income from catering and conference commission within the Tourism and Venues service based on known business for the year.
Property	69	(60)	(129)	Improvements in rental income at New England House, Industrial House and Hove Technology Centre of (£0.073m) as well as predicted NNDR rebate through the Workstyles Programme (£0.090m) and other underspends including utility efficiency and contract monitoring of (£0.085m) have been partially offset by an unexpected back dated rent reduction £0.069m and additional security costs for Agricultural Estates £0.050m.
<b>Total Economy, Environment &amp; Culture</b>	<b>(269)</b>	<b>(853)</b>	<b>(584)</b>	
Housing General Fund	164	897	733	Additional forecast of £0.434m spend on Temporary Accommodation explained further below. Also a pressure of £0.328m has arisen because the Better Care Fund allocation for Disabled Facilities Capital Grant transferred to Housing is less than the indicative amount of £1.590m announced by the Government.
Libraries	0	0	0	
Communities, Equalities & Third Sector	90	95	5	
Regulatory Services	(4)	(4)	(0)	
Community Safety	0	(0)	(0)	
<b>Total Neighbourhood, Communities &amp; Housing</b>	<b>250</b>	<b>987</b>	<b>737</b>	

**Appendix 1 – Revenue Budget Movement Since Month 5**

<b>Service</b>	<b>2016/17 Month 5 Variance £'000</b>	<b>Forecast Month 7 Variance £'000</b>	<b>Movement £'000</b>	<b>Explanation of Main Movements</b>
Finance	(9)	(54)	(45)	Underspend in staffing budgets in Revenues and Benefits (£0.025m) and reduction in expected professional support for the Audit service
Housing Benefit Subsidy	(350)	(300)	50	The forecast recovery of former Council Tax Benefit overpayments has improved by £0.020m. There has been an adverse movement of £0.070m on the main subsidy budgets of which £0.040m relates to higher than anticipated expenditure on a type of benefit for vulnerable tenants that does not attract full subsidy.
HR & Organisational Development	42	0	(42)	Managing vacant posts
ICT	0	0	0	
<b>Total Finance &amp; Resources</b>	<b>(317)</b>	<b>(354)</b>	<b>(37)</b>	
Corporate Policy	(30)	(30)	0	
Legal Services	0	0	0	
Democratic & Civic Office Services	(11)	(9)	2	
Life Events	101	57	(44)	Reduction in expected staff pressures, especially in Registrars.
Performance, Improvement & Programmes	0	(30)	(30)	Managing a vacant post.
Communications	10	0	(10)	
<b>Total Strategy, Governance &amp; Law</b>	<b>70</b>	<b>(12)</b>	<b>(82)</b>	
Bulk Insurance Premia	(250)	(250)	0	
Concessionary Fares	(30)	(30)	0	
Capital Financing Costs	(94)	(380)	(286)	Final outcome of MRP review.
Levies & Precepts	(1)	(1)	0	
Unallocated Contingency & Risk Provisions	0	0	0	
Unringfenced Grants	(146)	(160)	(14)	Receipt of two additional grants from CLG
Other Corporate Items	(217)	(217)	0	

**Appendix 1 – Revenue Budget Movement Since Month 5**

<b>Service</b>	<b>2016/17 Month 5 Variance £'000</b>	<b>Forecast Month 7 Variance £'000</b>	<b>Movement £'000</b>	<b>Explanation of Main Movements</b>
Total Corporate Budgets	(738)	(1,038)	(300)	
Total General Fund	3,916	3,450	(466)	



Families, Children & Learning

Revenue Budget Summary

2016/17 Month 5 Variance £'000	Service	2016/17 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
0	Director of Families, Children & Learning	344	344	0	0.0%	100	100	0
2,633	Health, SEN & Disability Services	34,495	36,960	2,465	7.1%	4,008	3,578	498
315	Education & Skills	7,890	8,144	254	3.2%	786	790	116
855	Children's Safeguarding & Care	37,597	38,451	854	2.3%	2,971	1,782	1,229
0	Quality Assurance & Performance	1,643	1,613	(30)	-1.8%	0	0	0
3,803	Total Families, Children & Learning	81,969	85,512	3,543	4.3%	7,865	6,250	1,843

47 Explanation of Key Variances (Note: FTE/WTE = Full/Whole Time Equivalent)

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Health, SEN & Disability Services			
(105)	Demand-Led - Disability Agency Placements	It is currently forecast that there will be 11.70 FTE disability agency placements during 2016/17. The budget allows for 14.00 FTE and this has resulted in the underspend of £0.105m.	
54	In-house residential and respite services	Increasing use of overtime and agency staff providing residential and respite care for disabled children with complex needs. These services are contributing to the reduced spending on Disability Agency Placements above.	

**Appendix 2 – Revenue Budget Performance**

<b>Key Variances</b>			
<b>£'000</b>	<b>Service Area</b>	<b>Variance Description</b>	<b>Mitigation Strategy (Overspends Only)</b>
2,065	Demand Led - Learning Disability Adults - Community Care	There has been an increase in the level of clients presenting with greater complexity of need in recent months. This has resulted in an increase in the average unit costs for Learning Disability Care packages. The overspend predominantly relates to Supported Accommodation and Direct Payments which have shown a significant increase in activity since April 2015.	Continued review of care packages to ensure provision of services is effective, appropriate and value for money. Making the best use of in-house resources is also critical. Continued exploration of ways to reduce the need for high cost care and admissions into residential homes.  Also, talking to NHS colleagues regarding the impact of the transforming care programme.
54	Learning Disability Adults - Assessment	This is due to additional staffing related to Deprivation of Liberty Safeguards and staffing being recruited beyond establishment for project work.	
433	Learning Disability Adults - In-house provision	The income target for Able & Willing has risen significantly in the last few years to £0.490m. The level of sales being generated however is considerably below the required rate and it is anticipated that there will be a shortfall of £0.201m in 2016/17. In house Day Services are reporting £298k of the £500k budget strategy savings target as being unachievable.	Review of the Able & Willing service and exploring ways to maximise income revenue streams.

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Education & Skills			
242	Home to School Transport	<p>The overspend is due to:</p> <ul style="list-style-type: none"> <li>• Additional costs of the new contract introduced last year following the retendering exercise;</li> <li>• Less impact of Independent Travel Training than anticipated;</li> <li>• Increased costs in 16-19 travel;</li> <li>• Additional recoupment costs.</li> </ul> <p>The overspend reflects the latest numbers of children (346) being transported. An analysis has been undertaken with the budget holder for each area of the budget and the latest position reflects the estimated outturn position based on current information.</p>	Further work is taking place to understand the increased costs of transport and identify mitigations.
39	Youth Service	An element of the 2016/17 budget savings strategy for the youth service was based on reducing the costs for premises following a review of buildings. At this stage it is unlikely that these savings will materialise, however this is now being partially off-set by savings on vacant posts.	Negotiations are currently underway with third sector providers to increase delivery from the Youth Service buildings. It is expected that an initial one year licence will be agreed for one building and will be in place by July 2016 which will produce a significant contribution towards this this pressure. Other negotiations are continuing.
(82)	Access to Education	This underspend relates to a reorganisation and reduction in management costs.	

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
100	Early Years - Nurseries and Children's Centres	<p>Nurseries – The overspend of £0.200m has increased because of high use of agency staff while vacancies have been held in lieu of the nursery restructure together with a significant drop in the numbers of children attending the nurseries in the autumn term compared to last year. The nursery restructure will be implemented by January and will match the number of staff to the number of children in each nursery. There will be some savings because of staff leaving on Voluntary Severance and more efficient shift patterns. Savings from changes in grades will not be realised until the end of three years protected pay.</p> <p>Children’s Centres – the underspend of £0.100m is due to additional income from midwifery, gaps in vacancies being filled and reductions in running costs.</p>	<p>The restructure of the nurseries is progressing and some savings are expected but at this stage it is difficult to quantify the level of the savings due to uncertainties around voluntary severance and protected pay.</p>

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Children's Safeguarding & Care			
28	Demand-Led - Residential Agency Placements	The projected number of residential placements (30.84 FTE) is broken down as 27.68 FTE social care residential placements (children's homes), 2.98 FTE schools placements and 0.27 FTE family assessment placements. The budget allowed for 27.70 FTE social care residential care placements, 3.90 FTE schools placements and 0.40 FTE family assessment placements. The average unit costs of these placements is, however, higher than the budgeted level, particularly for residential home placements. The number of children's placements is 1.16 FTE below the budgeted level, however the high unit costs results in the overspend of £0.028m.	Regular reviews of any placement in a residential setting are being undertaken and there are plans for a number of children to move them to alternative placements in the community where this is appropriate.
678	Demand-Led - Independent Foster Agency (IFA) Placements	The number of children placed in Independent Foster Agency placements has decreased in recent years. During 2015/16 there were 158.06 FTE. The current projected number of placements in 2016/17 is 130.86 FTE, a reduction of 17.2%. The budget for IFA placements included significant levels of savings and was set at 121.00 FTE. The numbers being higher than the budget by 9.86 FTE results in a projected overspend of £0.678m.	This project is working very well and with a reduction in Children in Care (CIC) is enabling the service to achieve an improved financial outcome. If both factors continue, it may be possible to achieve greater savings. It is, however, anticipated that the recruitment of new in-house foster carers will reduce the overspend by £0.200m.

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
157	Demand-Led - Secure Accommodation	It is estimated that during 2016/17 there will be 1.73 FTE secure (welfare) placements and 1.06 FTE secure (justice) placements. The budget allowed for 1.00 FTE welfare and 1.00 FTE justice placements during the year. There is currently one child in a secure (welfare) placement and two in a secure (criminal) placement resulting in a projected overspend of £0.157m.	Secure placements are only used as a last resort. They are used when deprivation of a young person's liberty is the only solution which will enable work to start to keep them safe on exit from the unit. The Adolescent Service is being successful in reducing the risk and stepping down needs and it is planned that the service will be able to impact on the number of young people requiring secure placements.
653	Demand-Led - Semi-independent/Supported placements	The number of semi-independent and supported living placements is projected to be 23.08 FTE and this is 4.58 FTE above the budgeted level. In addition, the average unit cost of these placements is £397.61 per week higher than the budget and this results in an overspend of £0.653m.	It will be difficult to achieve any savings in this area due to pressures elsewhere in the system.
(172)	Demand-Led - In-House Fostering	As at the 31st October 2016 there were 155 children placed with 'in-house' foster carers. The budget was based on an increasing trend over the last few years and was set at 156.50 FTE placements. This has resulted in the current projected underspend of £0.172m. There is currently work ongoing to increase the number of in-house foster carers and this should result in a net reduction in costs.	The project will try to increase the number of in house foster carers by more than predicted.

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
(123)	Demand-Led - Family & Friends placements, Child Arrangement Orders and Special Guardianship Orders	The budget allows for 310.00 FTE placements of these types. It is currently anticipated that there will be 293.30 FTE children in these placements during 2016/17 and this results in the underspend of £0.123m.	
369	Demand-Led - Care Leavers	The projected number of care leaver placements in 2016/17 is 79.76 FTE. The budget allows for 58.10 FTE placements. The increase mainly relates to growing numbers of Staying Put placements (47.25 FTE in 2016/17). In addition, the average unit cost is also higher than the budget resulting in an overall overspend of £0.369m.	The right of 18 year olds to decide to 'Stay Put' with their foster carers is a requirement on the service and one which we are tasked to encourage as in the best interests of young people. We do not anticipate this spend reducing. The current Social Work Bill is likely to lead to increased pressure in this area.
(127)	Demand-Led Unaccompanied Asylum Seeking Children (UASC) Grant	The numbers of unaccompanied asylum seeking children has increased considerably in the last 12 months. The costs of looking after these children is funded by a grant from the home office and the grant is in access of the estimated value by £0.127m	

**Appendix 2 – Revenue Budget Performance**

<b>Key Variances</b>			
<b>£'000</b>	<b>Service Area</b>	<b>Variance Description</b>	<b>Mitigation Strategy (Overspends Only)</b>
232	Social Work Teams	The overspend within the social work teams relates predominantly to use of agency staff. This is a result of a large number of vacant posts across the social work teams at present and a difficulty in retaining experienced staff. There are currently 25 locum social workers employed within the social work service resulting in additional costs of £1.423m. The new measures designed to improve recruitment and retention of social workers has reduced this overspend from £0.276m reported at month 5.	The new model for social work adopted in Brighton & Hove has attracted a lot of interest from social workers from other areas and those employed as agency staff currently. With the potential agreement to a market supplement payment, it is hoped that it will be possible to achieve further reductions in agency spend.
(476)	Adoption	Following changes to adoption regulations and a re-basing of the inter-agency budget, it is anticipated that there will be an underspend in 2016/17. This is based on estimated income from other agencies which was considerably higher last year than in previous years. In addition, it includes income from the new Inter Agency Adoption Fee Grant.	
(90)	Fostering and Adoption teams	There are currently a number of vacant posts across the fostering and adoption teams.	



## Health &amp; Adult Social Care

## Revenue Budget Summary

2016/17 Month 5 Variance £'000	Service	2016/17 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
1,102	Adult Social Care	29,616	30,594	978	3.3%	2,851	2,851	0
(142)	Integrated Commissioning	8,689	8,544	(145)	-1.7%	159	159	0
232	S75 Sussex Partnership Foundation Trust (SPFT)	11,633	12,052	419	3.6%	246	246	0
(75)	Public Health	1,242	1,167	(75)	-6.0%	1,096	1,096	0
1,117	Total Health & Adult Social Care	51,180	52,357	1,177	2.3%	4,352	4,352	0

51 Explanation of Key Variances (Note: FTE/WTE = Full/Whole Time Equivalent)

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
(7)	Demand-Led Community Care - No Recourse to Public Funds	The average unit cost is slightly lower than the budgeted unit cost resulting in the small underspend of £0.007m.	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
581	Demand-Led Community Care - Physical & Sensory Support	The number of WTE care packages is significantly greater than the budgeted level. This is partly the result of increasing numbers of 'new' older people being discharged from hospital requiring social care services for the first time, as well as increased community demand.	Numbers of clients requiring social care services have been higher than anticipated and work is ongoing to look at reducing admissions to nursing and residential homes.  There is a need to work with all partners both NHS and independent sector to promote well being and reablement.
58	Demand-Led Community Care - Substance Misuse	There are relatively small numbers of clients within this service and this is in line with the expected demand. The average unit costs however are slightly higher than anticipated and this accounts for the small overspend.	
724	Deprivation of Liberty Safeguarding (DOLS)	The level of new referrals increased significantly in the last half of 2015/16, rising from 122 in October 2015 to 190 in April 2016. It is estimated that referrals will increase by 25% in 2016/17 to just fewer than 3,100 for new and repeat referrals.	This is a key pressure area for which additional resources will be required and in future years will need to be mitigated by either additional resources (e.g. Adult Social Care precepts) or by savings elsewhere.
(142)	Carers Support	More efficient use of Better Care Fund resources will result in an underspend in the carers support budget.	
148	Hostel Accommodation	There has been a delay in the transfer of a Hostel to a new building which has resulted in pressures on rent costs and Housing Benefit income.	A new building is being identified for the Hostel and the move is expected next financial year.

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
0	Community Equipment Store	The Community Equipment Store has reported an overspend of £1.069m to the Better Care Board however this isn't being reported in the council's position as the assumption is this will be covered within the Better Care Fund. Related to this, Members are asked to approve the creation of a reserve of £0.350m from Clinical Commissioning Group (CCG) funding provided to the council and carried over from 2015/16 to manage any pressures within this service that can't be managed through the Better Care Programme in 2016/17.	
144	Older people resource centres	The overspend relates to use of Care Crew agency staffing pressures across the resource centres.	
(417)	Home Care & Night Home Care Service	The Night Home Care Service has closed and there are also made additional staffing savings. This forms part of the budget proposals for 2017/18.	
Integrated Commissioning			
(118)	Carers Support	More efficient use of Better Care Fund resources will result in an underspend in the Carers Support budget.	
(57)	Contracts	A review of contracts across the service has identified savings of £0.057m mainly within community meals.	

**Appendix 2 – Revenue Budget Performance**

<b>Key Variances</b>			
<b>£'000</b>	<b>Service Area</b>	<b>Variance Description</b>	<b>Mitigation Strategy (Overspends Only)</b>
<b>S75 Sussex Partnership Foundation Trust (SPFT)</b>			
460	Demand-Led - Memory Cognition Support	There are higher numbers of WTE care packages than are funded in the budget; the unit costs are also higher than had been anticipated resulting in the overspend of £0.460m. This is due to a current shortage of affordable residential and nursing home placements within the city.	Increased scrutiny of all complex or high cost care packages to ensure value for money against eligible care needs. Where possible, no placements are made above the agreed Local Authority rates. The Clinical Commissioning Group (CCG) have agreed additional funding of £0.850m to offset the risks on the Community Care budget. The Risk Share arrangement with SPFT assumes a 50:50 split of any remaining overspend up to a cap of £0.250m. A Continuing Health Care Taskforce is in place to ensure that all appropriate and eligible cases are funded.
309	Demand-Led - Mental Health Support	Numbers of WTE clients are lower than the budget allocation but the average unit costs are significantly higher due to the increasing need and complexity of this client group and it is this that results in the overspend of £0.309m.	
(100)	Demand-Led - Staff teams	Underspends resulting from vacancies and turnover.	
(250)	Demand-Led - SPFT risk share	The risk share arrangements with SPFT have been agreed for two years. The risk will be shared 50/50 with a cap at £0.250m, the breaching of which would trigger further discussions with the CCG as lead commissioner.	

**Appendix 2 – Revenue Budget Performance**

<b>Key Variances</b>			
<b>£'000</b>	<b>Service Area</b>	<b>Variance Description</b>	<b>Mitigation Strategy (Overspends Only)</b>
<b>Public Health</b>			
(89)	Staffing	There are a number of vacant posts across Public Health (including that of the Director) resulting in an in year saving of £0.089m.	
14	Contracts	Minor changes to some contracts and additional income within Public Health have resulted in a net increase in costs of £0.014m.	

Economy, Environment & Culture

Revenue Budget Summary

2016/17 Month 5 Variance £'000	Service	2016/17 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(432)	Transport	(6,237)	(7,113)	(876)	-14.0%	980	813	167
8	City Environmental Management	28,365	28,313	(52)	-0.2%	1,330	1,330	0
159	City Development & Regeneration	2,813	3,125	312	11.1%	226	216	10
(73)	Culture	4,403	4,226	(177)	-4.0%	572	364	208
69	Property	3,571	3,511	(60)	-1.7%	789	769	20
(269)	Total Economy, Environment & Culture	32,915	32,062	(853)	-2.6%	3,897	3,492	405

8 Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
189	Head of Transport	The implementation of a service redesign is now anticipated later than originally planned resulting in a savings risk of £0.167m, and £0.022m for the planned recruitment of a Commercial Manager post to support actions identified in the service and financial plans across the EEC Directorate.	Various vacancies are being held across the Transport service area pending the service redesign.

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
(803)	Parking & Network Operations	Forecast over-achievement of permit fee income of £0.628m due to continued uptake in traders and visitors permits, as well as suspension permit parking due to a number of developments in the city. Other net favourable parking income variances totalling £0.214m represent increased demand in particular areas such the city centre and Regency Square following the opening of the i360	
(225)	Transport Projects	Various underspend variances includes reduced borrowing and other costs relating to public transport (£0.076m), contractual income from the bus shelter contract (£0.072m), and reduced contribution to the Sussex Safer Roads Partnership following a change to funding of (£0.051m)	
<b>City Development &amp; Regeneration</b>			
370	Applications	Forecast under achievement on Development Planning and Building Control fee income based on current demand and delays to implementing pre-planning application advice charges. Net salary overspend forecast to meet government set timescales to respond to planning applications and regrading of posts following appeal.	Income levels are demand led and dependant on the number of applications and major developments in the City. The service plans to introduce charges for minor and other pre-planning advice in January 2017. Potential mitigating actions are not currently possible due to pressure on the service to meet government set timescales for responding to planning applications.
54	Head of City Development & Regeneration	Interim management services provided by external agency to support service modernisation and transformation.	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
0	International & Sustainability	Saving risk of £0.010m due to delays to implementation as part of wider service restructure, to be funded from underspends elsewhere within the service.	
(69)	Planning Policy and Major Projects	Underspends in salary costs due to vacancies being held during a service restructure.	
Culture			
16	Royal Pavilion and Museums	An income under achievement of £0.241m at museums and the Royal Pavilion where visitor numbers and catering income has been less than anticipated and delay in the implementation of the extension of cultural exemption to some sites. Unachievable one off savings of £0.063 relating to sinking fund contributions for The Keep. This has been largely offset by one-off income to support exhibitions in museums of (£0.148m), vacancy management of (£0.109m) and other service underspends.	Overspends will be partially offset by one-off grant income and managed within other expenditure budgets within the service.
(96)	Tourism	Vacancy management underspend of (£0.059m) to allow for business planning and service delivery review, and increased Conference Commission income of (£0.030m).	



Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
(97)	Venues	Income from catering commissions in the current year based on known business and one-off effect of under accrual from 2015/16 to a total of £0.078m. Other minor underspends totalling £0.019m.	
Property			
110	Estates	Despite continued improvement in the rental forecast on New England House and Contracted Property portfolio currently other net rent income pressures still total £0.150m. Including £0.020m of savings identified at risk which are subject to economic and market conditions. The predicted NNDR rebate through the Workstyles Programme of (£0.090m) was off set by additional Security costs for Agricultural Estates in the region of £0.050.	Rent income forecasts are monitored and reported on a monthly basis as part of the TBM process. The managing agents acting on behalf of the council seek to maximise the level of rental income from the commercial portfolio.
(170)	Property Services	There are underspends within the Energy Management service of (£0.055m), (£0.036m) Utility savings under Corporate Landlord and other services adding a further underspends of (£0.079m)	

## Neighbourhood, Communities &amp; Housing

## Revenue Budget Summary

2016/17 Month 5 Variance £'000	Service	2016/17 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
164	Housing General Fund	4,499	5,396	897	19.9%	582	582	0
0	Libraries	4,968	4,968	0	0.0%	309	309	0
90	Communities, Equalities & Third Sector	2,985	3,080	95	3.2%	208	108	100
(4)	Regulatory Services	1,983	1,979	(4)	-0.2%	154	154	0
0	Community Safety	1,260	1,260	(0)	0.0%	133	133	0
250	Total Neighbourhood, Communities & Housing	15,695	16,682	987	6.3%	1,386	1,286	100

## Explanation of Key Variances

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Housing General Fund			
711	Temporary Accommodation and Allocations	The net budget for Temporary Accommodation (TA) is £1.459m and the service is currently forecast to spend £2.270m, an overspend of £1.227m. This is due to the lack of affordable accommodation to move people on to which has led to growth in the number of households requiring TA. This has been made worse by the need to handback 150 properties through the ending of a key	The service is currently forecasting to overspend by £1.227m. The current financial recovery plan is now forecast to deliver £0.416m. This plan includes the use of reserves, staff vacancy management, and includes an assumption that the allocation policy is approved by full council on 15th December and helps to reduce costs by £0.060m.

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
		provider relationship leading to the use of more expensive spot purchase accommodation. There is a financial recovery plan which is forecast to reduce costs by £0.416m. Using a contingency sum set aside for homelessness of £0.100m, means that the service is forecast to overspend £0.711m.	
222	Private Sector Housing	Additional pressure of £0.328m has arisen because the Better Care Fund allocation for Disabled Facilities Grant transferred to Housing is less than the indicative amount of £1.590m announced by the Government in February for 2016/17. Recovery plan measures to reduce the 2014/15 overspend are counteracted by this reduction in the allocation passed on to Housing. Finance advised to show this capital pressure in revenue pending funding resolution with the Better Care Board. This is offset by underspends (£0.106m) as a result of vacancies within the private sector housing team and an increase in the recharge of salaries to capital for the adaptations service.	Resolution of this issue with Better Care Board of why less than Government indicative amount for Disabled Facilities Grant (DFG) was passed on to Housing.
(33)	Housing Strategy	This relates to the service redesign taking pace earlier than originally planned leading to reduced employee costs in 2016/17.	
(3)	Travellers	Minor variance.	

**Appendix 2 – Revenue Budget Performance**

<b>Key Variances</b>			
<b>£'000</b>	<b>Service Area</b>	<b>Variance Description</b>	<b>Mitigation Strategy (Overspends Only)</b>
Communities, Equalities & Third Sector			
95	Communities, Equalities & Third Sector	The projected variance reflects the cross-cutting saving (£0.200m) from the proposed merger with Community Safety within Public Health of which £0.100m is currently at risk. £0.105m is currently being managed through vacancy management.	The service is currently considering ways to mitigate this overspend.

## Finance &amp; Resources

## Revenue Budget Summary

2016/17 Month 5 Variance £'000	Service	2016/17 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(9)	Finance	10,913	10,859	(54)	-0.5%	810	810	0
(350)	Housing Benefit Subsidy	(676)	(976)	(300)	-44.4%	0	0	0
42	HR & Organisational Development	3,105	3,105	0	0.0%	335	335	0
0	ICT	7,253	7,253	0	0.0%	434	434	0
(317)	Total Finance & Resources	20,595	20,241	(354)	-1.7%	1,579	1,579	0

## Explanation of Key Variances

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
(300)	Housing Benefit Subsidy	£0.220m relates to the recovery of former Council Tax Benefit overpayments. Based on data up to the end of September, a surplus of £0.080m is forecast for the subsidy budgets.	

## Strategy, Governance &amp; Law

## Revenue Budget Summary

2016/17 Month 5 Variance £'000	Service	2016/17 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(30)	Corporate Policy	917	887	(30)	-3.3%	167	167	0
0	Legal Services	1,412	1,412	0	0.0%	105	105	0
(11)	Democratic & Civic Office Services	1,575	1,566	(9)	-0.6%	85	85	0
101	Life Events	27	84	57	211.1%	212	152	60
0	Performance, Improvement & Programmes	881	851	(30)	-3.4%	46	46	0
10	Communications	754	754	0	0.0%	140	140	0
70	Total Strategy, Governance & Law	5,566	5,554	(12)	-0.2%	755	695	60

## Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Life Events			
39	Registrars	Staffing cost pressures within the Registrars Service.	The Head of Life Events and Registrations Manager are progressing a service redesign in this area.
13	Elections	Staffing cost pressures within Elections Service.	A review of the costs and funding for the Elections Service is being undertaken following the EU referendum.
5	Bereavement Services	Crematorium fee income pressure £0.081m, Vacancy management of £0.057m, maintenance underspends £0.020m.	There is to be a further review of fees and charges

## Corporate Services

## Revenue Budget Summary

2016/17 Month 5 Variance £'000	Service	2016/17 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(250)	Bulk Insurance Premia	0	(250)	(250)	0.0%	0	0	0
(30)	Concessionary Fares	10,933	10,903	(30)	-0.3%	240	240	0
(94)	Capital Financing Costs	6,705	6,325	(380)	-5.7%	0	0	0
(1)	Levies & Precepts	172	171	(1)	-0.6%	0	0	0
0	Unallocated Contingency & Risk Provisions	3,398	3,398	0	0.0%	0	0	0
(146)	Unringfenced Grants	(15,495)	(15,655)	(160)	-1.0%	0	0	0
(217)	Other Corporate Items	1,722	1,505	(217)	-12.6%	270	270	0
(738)	Total Corporate Budgets	7,435	6,397	(1,038)	-14.0%	510	510	0

## Explanation of Key Variances

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Bulk Insurance Premia			
(250)	Bulk Insurance Premia	Expenditure on the settlement of claims is forecast to be lower than budgeted.	
Concessionary Fares			
(30)	Concessionary Bus Fares	Lower than anticipated reimbursements for concessionary trips.	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Capital Financing Costs			
(94)	Capital Financing Costs	Additional net borrowing costs of £0.147m will be incurred as a result of bringing forward borrowing to take advantage of historically low borrowing rates. This is expected to make permanent savings of £0.086m per year. This is offset by an increase in forecast investment income as a result of higher forecast investment balances than previously expected. There is also a budget for a contribution to Trusts that is not required (already accounted for in another budget line) and a one-off saving due to the conclusion of the MRP review.	Overspending is offset by an increase in forecast investment income (see below).
Unringfenced Grants			
(78)	Unringfenced Grants	Council Tax Support Admin Subsidy Grant announced in March 2016 is higher than forecast.	
(68)	Unringfenced Grants	Local Reform & Community Voices grant announced in April 2016 is higher than forecast.	
(14)	Unringfenced Grants	Receipt of CLG Transparency Code Set up (£0.013m) and Lead Local Flood Authority (£0.001m) grants	
Other Corporate Items			
(217)	Unfunded Pension Payments	There is a £0.123m underspend relating to overpayments identified in respect of previous years and £0.094m in respect of an in year reduction.	



## Housing Revenue Account (HRA)

## Revenue Budget Summary

2016/17 Month 5 Variance £'000	Service	2016/17 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
(125)	Capital Financing	31,916	31,791	(125)	-0.4%	0	0	0
(7)	Head of Housing HRA	3,197	3,190	(7)	-0.2%	385	385	0
(39)	Head of City Development & Regeneration	264	233	(31)	-11.7%	37	37	0
(5)	Housing Strategy	707	694	(13)	-1.8%	0	0	0
(32)	Income Involvement Improvement	(46,260)	(46,583)	(323)	-0.7%	239	239	0
(594)	Property & Investment	8,325	7,364	(961)	-11.5%	348	348	0
(62)	Tenancy Services	1,851	1,845	(6)	-0.3%	384	384	0
(864)	Total Housing Revenue Account	0	(1,466)	(1,466)	0.0%	1,393	1,393	0

## Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
(125)	Capital Financing	Significant reprofiling of HRA capital expenditure from 2015/16 into 2016/17 impacts on the timing of when borrowing is required to be undertaken to fund the expenditure. This has resulted in lower interest charges being incurred during 2016/17 compared to the original budget forecast.	

Appendix 2 – Revenue Budget Performance

Key Variances			
£'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Income Involvement Improvement			
(232)	Income Management - provisions for debt and DHP fund	The contribution to the HRA debt provision is forecast to be underspent by £0.157m, this is based on the forecast level of arrears and write offs for the year and allowing for welfare reform changes. The HRA budget also includes an amount of £0.075m for a contribution to the Discretionary Housing Payment (DHP) fund. It is forecast that this contribution will not be required to be called upon this financial year.	
(66)	Tenancy Management office Costs	Underspends of approximately £0.066m relating to a reduction in office costs across the service.	
Property & Investment			
(288)	Responsive Repairs	This underspend relates to a reduction in responsive repairs and empty property works expenditure due to the increased capital investment in council dwellings over recent years as well as reducing stock numbers from Right to Buy sales and stock transfer to Seaside Homes.	
(450)	Gas servicing and maintenance	Estimated contract efficiency savings relating to new gas contract which commenced on 1 April 2016.	
(300)	Leaseholder Major Works Income	Income from service charges to leaseholders for Major Works is forecast to overachieve by £0.300m, mainly due to the timing of capital works meaning more was rechargeable in 2016/17 than was estimated when setting the budget.	

**Appendix 2 – Revenue Budget Performance**

<b>Key Variances</b>			
<b>£'000</b>	<b>Service Area</b>	<b>Variance Description</b>	<b>Mitigation Strategy (Overspends Only)</b>
76	Property & Investment salary forecast	An increase in staff costs partly due to an increase in agency staff covering vacancies and additional quantity surveyor.	A review of the 2017/18 budget.
<b>Tenancy Services</b>			
(66)	Tenancy Management Property Costs	There is a forecast underspend of £0.105m for gas and electricity charges which has been offset by various minor variations across Tenancy Services.	
59	Estates Services	An increase in staff costs of £0.041m due to agency cover and increased costs of rubbish clearance of £0.024m, partially offset by other minor variances.	A review of the 2017/18 budget.

## Dedicated Schools Grant (DSG)

## Revenue Budget Summary

2016/17 Month 5 Variance £'000	Service	2016/17 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Individual Schools Budget (ISB)	123,389	123,389	0	0.0%
(40)	Early Years Block (including delegated to Schools) <i>(This includes Private Voluntary &amp; Independent (PVI) Early Years 3 &amp; 4 year old funding for the 15 hours free entitlement to early years education)</i>	10,599	10,272	(327)	-3.1%
68	High Needs Block (excluding delegated to Schools)	18,409	18,563	154	0.8%
(37)	Exceptions and Growth Fund	5,298	5,256	(42)	-0.8%
0	Grant Income	(157,263)	(157,263)	0	0.0%
(9)	Total Dedicated Schools Grant (DSG)	432	217	(215)	-49.8%

## Explanation of Key Variances

Key Variances £'000	Service Area	Variance Description	Mitigation Strategy (Overspends Only)
Early Years Block (including delegated to Schools)			
(300)	3 & 4 year old funding	Latest estimate of 3 & 4 year old payments for EYFE based on summer 2016	
(23)	2 year old funding	Latest estimate of 2 year old payments for EYFE based on summer 2016	
(4)	Centrally retained	Miscellaneous minor underspends	

**Appendix 2 – Revenue Budget Performance**

<b>Key Variances</b>			
<b>£'000</b>	<b>Service Area</b>	<b>Variance Description</b>	<b>Mitigation Strategy (Overspends Only)</b>
<b>High Needs Block (excluding delegated to Schools)</b>			
232	Maintained schools top up funding	High Needs top up to maintained schools (mainstream and special) is higher than budgeted.	A review of top up funding to primary and secondary schools will take place and a report will be prepared for DMT incorporating a number of proposals to address the ongoing pressure.
100	Post 16 placements	Post 16 pupils SEN placements in educational provision	
50	DSG contributions	Unanticipated DSG contribution to meet General Fund pressures.	
(49)	Other	Unallocated 2015/16 budget brought forward.	
(74)	Other	Savings from Learning Support Service review	
(105)	One to One support	Budget now not allocated to support schools	
<b>Exceptions and Growth Fund</b>			
(32)	Exception 1	Mainly school reimbursement for union duties, jury service and suspension.	
(17)	Exception 1	Additional charges to schools for Newly Qualified Teacher service	
7	Other	Miscellaneous minor overspends	



## Savings Monitoring 2016/17

## General Fund

Directorate	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
Families, Children & Learning	7,865	6,250	1,843
Health & Adult Social Care	4,352	4,352	0
Economy, Environment & Culture	3,897	3,492	405
Neighbourhood, Communities & Housing	1,386	1,286	100
Finance & Resources	1,579	1,579	0
Strategy, Governance & Law	755	695	60
Corporate Budgets	510	510	0
<b>Total Directorate Savings</b>	<b>20,344</b>	<b>18,164</b>	<b>2,408</b>
Tax Base Savings	624	624	0
<b>Total General Fund Savings</b>	<b>20,968</b>	<b>18,788</b>	<b>2,408</b>

## Housing Revenue Account

Directorate	2016/17 Savings Proposed £'000	Savings Achieved/ Anticipated £'000	Savings At Risk £'000
Housing Revenue Account	1,393	1,393	0
<b>Total HRA Savings</b>	<b>1,393</b>	<b>1,393</b>	<b>0</b>





Families, Children & Learning – Capital Budget Summary

Forecast Variance Month 5 £'000	Service	2016/17 TBM 5 Budget £'000	Reported at other Committees £'000	New Schemes in Appendix 5 £'000	Variation, Slippage/ reprofile £'000	2016/17 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Children's Safeguarding & Care	40	0	0	0	40	40	0	0.0%
0	Health & Disability Services	36	0	0	0	36	36	0	0.0%
0	Education & Skills	17,006	0	0	0	17,006	17,006	0	0.0%
0	Schools	257	0	0	0	257	257	0	0.0%
0	Stronger Families Youth & Communities	0	0	0	0	0	0	0	0.0%
<b>0</b>	<b>Total Families, Children &amp; Learning</b>	<b>17,339</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17,339</b>	<b>17,339</b>	<b>0</b>	<b>0.0%</b>

Details of Variation requests and explanations of significant Forecast Variances, Slippage or Reprofiles are given below:

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Families, Children &amp; Learning</b>				
No changes to report for Month 7				

## Health &amp; Adult Social Care – Capital Budget Summary

Forecast Variance Month 5 £'000	Service	2016/17 TBM 5 Budget £'000	Reported at other Committees £'000	New Schemes in Appendix 5 £'000	Variation, Slippage/ reprofile £'000	2016/17 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Adult Social Care	351	0	0	0	351	351	0	0.0%
0	Integrated Commissioning	138	0	0	0	138	138	0	0.0%
0	Provider Services	0	0	0	0	0	0	0	0.0%
0	Public Health	0	0	0	0	0	0	0	0.0%
<b>0</b>	<b>Total Health &amp; Adult Social Care</b>	<b>489</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>489</b>	<b>489</b>	<b>0</b>	<b>0.0%</b>

Details of Variation requests and explanations of significant Forecast Variances, Slippage or Reprofiles are given below:

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Health &amp; Adult Social Care</b>				
No changes to report for Month 7				

## Appendix 4 – Capital Programme Performance

### Economy, Environment & Culture (excluding Housing Revenue Account) – Capital Budget Summary

Forecast Variance Month 5 £'000	Service	2016/17 TBM 5 Budget £'000	Reported at other Committees £'000	New Schemes in Appendix 5 £'000	Variation, Slippage/ reprofile £'000	2016/17 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	City Development & Regen	9,646	0	0	0	9,646	9,646	0	0.0%
0	City Environmental Management	9,130	0	701	0	9,831	9,831	0	0.0%
0	Culture	9,047	0	0	(5,901)	3,146	3,146	0	0.0%
0	Planning & Building Control	0	0	0	0	0	0	0	0.0%
0	Property	8,729	0	0	0	8,729	8,729	0	0.0%
0	Transport	13,790	1,828	0	98	15,716	15,716	0	0.0%
<b>0</b>	<b>Total Economy, Environment &amp; Culture</b>	<b>50,342</b>	<b>1,828</b>	<b>701</b>	<b>(5,803)</b>	<b>47,068</b>	<b>47,068</b>	<b>0</b>	<b>0.0%</b>

Details of Variation requests and explanations of significant Forecast Variances, Slippage or Reprofiles are given below:

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Culture</b>				
Reprofile	(5,901)	Royal Pavilion Estate Project	The project cashflows have been fully reviewed and the reprofile represents a true reflection of the project timetable.	
<b>Transport</b>				
Reported at Other Committees	1,828	Parking Payment Systems	Reported separately to Policy, Resources & Growth Committee on 14 <sup>th</sup> July 2016.	

**Appendix 4 – Capital Programme Performance**

<b>Detail Type</b>	<b>£'000</b>	<b>Project</b>	<b>Description</b>	<b>Mitigation Strategy</b>
Variation	98	Parking Payment Systems - Upgrade and Purchase of Parking Machines	The capital costs for the new Pay and Display machines are higher than anticipated by £0.098m due to a change in the specification to allow the purchase of more new cash and card machines rather than upgrade existing machines. Following detailed negotiations with the supplier about the cost of maintenance and running costs, it is anticipated that the additional capital expenditure will contribute to reduced annual costs to a sufficient level to repay the additional borrowing requirement. There are no delays to the project timetable to date. It is anticipated that the machines will be delivered and installed by March 2017.	

## Appendix 4 – Capital Programme Performance

### Neighbourhood, Comms & Housing (excluding Housing Revenue Account) – Capital Budget Summary

Forecast Variance Month 5 £'000	Service	2016/17 TBM 5 Budget £'000	Reported at other Committees £'000	New Schemes in Appendix 5 £'000	Variation, Slippage/ reprofile £'000	2016/17 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Comms Equalities & 3 <sup>rd</sup> Sector	278	0	0	0	278	278	0	0.0%
0	Community Safety	0	0	0	0	0	0	0	0.0%
328	Housing - GF	3,394	0	0	0	3,394	3,722	328	9.7%
0	Libraries	373	0	0	0	373	373	0	0.0%
0	Regulatory Services	545	0	0	0	545	545	0	0.0%
<b>328</b>	<b>Total Neighbourhood, Comms &amp; Housing</b>	<b>4,590</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,590</b>	<b>4,918</b>	<b>328</b>	<b>7.1%</b>

Details of Variation requests and explanations of significant Forecast Variances, Slippage or Reprofiles are given below:

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Housing GF</b>				
Overspend	328	Disabled Facilities Grant	The Health and Wellbeing Board allocated £1.430m Disabled Facilities Grant funding for disabled adaptations. Estimated spend for 2016/17 is £1.500m, leaving a shortfall of £0.070m. The £0.306m overspend carried forward, reported to Policy & Resources at the end of 2015/16, should reduce to £0.258m due to the financial recovery measures in place. The total overspend is now estimated to be £0.328m.	The financial recovery plan will need to be reviewed and discussed with the Health and Wellbeing Board in order to try to mitigate this overspend.

## Housing Revenue Account – Capital Budget Summary

Forecast Variance Month 5 £'000	Service	2016/17 TBM 5 Budget £'000	Reported at other Committees £'000	New Schemes in Appendix 5 £'000	Variation, Slippage/ reprofile £'000	2016/17 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
129	City Development & Regen	18,723	0	0	(412)	18,311	18,478	167	0.9%
(33)	Housing - HRA	29,922	0	0	(1,348)	28,574	28,368	(206)	-0.7%
<b>96</b>	<b>Total Housing Revenue Account</b>	<b>48,645</b>	<b>0</b>	<b>0</b>	<b>(1,760)</b>	<b>46,885</b>	<b>46,846</b>	<b>(39)</b>	<b>-0.1%</b>

Details of Variation requests and explanations of significant Forecast Variances, Slippage or Reprofiles are given below:

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>City Development &amp; Regen</b>				
Reprofile	404	Findon Road	Revised cashflow projections received from contractors.	Scheme will be completed in 2017/18.
Reprofile	(67)	Various	Reprofiles of less than £0.050m on various schemes: Brookmead Site Development (£0.024m), Manor Place (£0.043m).	
Slippage	(749)	Guinness Garage Sites	Kensington Street delay on planning approval. Scheme will now be across two financial years; projected cash flows have been reprofiled.	Scheme is being delivered across two financial years.
Overspend	161	Ardingly Crescent	Unforeseen works were required on the build once on site and building had started.	To be funded from other underspends within the capital programme.
Overspend	6	Wellsbourne Development	Overspend of less than £0.050m.	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Housing HRA</b>				
Reprofile	(400)	Home Energy Efficiency & Renewables	Previous budgets had focused on Solar PV, the business case for which has changed. There may be 'commercial-scale' opportunities for Solar PV. Re-profile to 2017/18 as projects that are underway are still in development stages.	HRA Energy Strategy in development: this will include progressing opportunities by developing more detailed solutions to improve energy performance and compliance.
Reprofile	(286)	Converting spaces in existing buildings ('Hidden Homes')	Reprofile of budget due to the nature of developing such accommodation, which will always span two financial years. St James House has completed in 2016/17 (3 flats); Normanhurst (2 flats) and Swallow Court (3 flats) will complete in 2017/18.	Take a 2 year view of delivery for the Hidden Homes projects. Tenants affected by the revised programme will be written to after the meeting, with reassurance provided on a one to one basis. An additional project manager has now been deployed.
Reprofile	(250)	Citywide Extensions Projects	A range of design options are being investigated and taken forward with residents on some projects to ensure the project provides best value and meets expectations as far as possible.	Reprofile £0.250m of 16/17 budget to 2017/18 to allow for design on some committed projects to be worked through in more detail with residents ready for completion in 2017/18
Reprofile	(412)	External Decorations	Reprofile of budget due to a delay in the tendering process for the Sylvan Hall project with a revised start date of February 2017. The majority of the project's budget will now be spent in the financial year 2017/18.	Sylvan Hall: Any impact on residents will be minimal as the project has only been delayed.
Variation	(280)	Lift Programme	Under the Clarendon Road refurbishment project, there are alterations required to the lift motor rooms. £0.280m from the lift programme has been allocated to the main refurbishment project to enable these works to be carried out in a cost efficient way.	No impact on residents as the lift replacement programme continues.
Variation	280	Structural Repairs	See comments above for Lift Programme..	No impact on residents as the Clarendon Road project continues.

## Appendix 4 – Capital Programme Performance

<b>Detail Type</b>	<b>£'000</b>	<b>Project</b>	<b>Description</b>	<b>Mitigation Strategy</b>
Overspend	195	Major Voids	Overspend expected due to long term leased properties being returned to BHCC. Some funding may be forthcoming following negotiations.	No major impact on residents is expected.
Overspend	182	Kitchens	Overspend expected due to tenant choice to follow spend as of previous years, with preference to kitchens over bathrooms.	No major impact on residents is expected.
Overspend	92	Fire Safety	Following a thorough review of the Fire Risk Assessments more works have been identified than originally envisaged. Due to the nature of the works they will need to be carried out in this financial year.	No major impact on residents is expected.
Overspend	61	Block conversions	The conversion of additional dwellings has increased costs and an overspend is expected.	No major impact on residents is expected.
Overspend	59	Minor Capital Works	Overspend expected due to additional works	No major impact on residents is expected
Overspend	46	Car Parks and Garages	A condition survey of car parks has been carried out and identified a high number of urgent works. The budget level for 2017/18 will be reviewed and a programme of works created.	
Overspend	12	Various	Overspends of less than £0.050m on various schemes: External Decorations and Repairs £0.009m, LDV Assessment Works £0.002m, Supercentre Refurbishment £0.001m.	
Underspend	(440)	Internal Decorations	A process review of how planned works are identified and the programmes are produced has impacted on the formulation of programmes for 2016/17. However, in future years, the new process should better identify areas of greater need and achieve greater value for money.	No major impact on residents is expected.
Underspend	(168)	Condensation and Damp Works	This is a reactive contract and current levels of work indicate that this budget will be underspent.	No major impact on residents is expected.



## Appendix 4 – Capital Programme Performance

<b>Detail Type</b>	<b>£'000</b>	<b>Project</b>	<b>Description</b>	<b>Mitigation Strategy</b>
Underspend	(89)	Domestic rewire programme	To support the delivery of decent homes, a domestic rewire programme has been ongoing for several years. The expected number of empty homes coming through the process so far this financial year is lower than previously, due in part to the programme maturing.	No impact on residents as domestic rewire programme will continue.
Underspend	(82)	Asbestos	Following surveys of communal areas there have been no major works identified this year.	No major impact on residents is expected.
Underspend	(41)	Insulation	Lack of programmed insulation works in the year.	No major impact on residents is expected.
Underspend	(33)	Various	Underspends of less than £0.050m on various schemes: ICT Fund (£0.015m), HRA Adaptations (£0.018m).	

## Appendix 4 – Capital Programme Performance

### Finance & Resources - Capital Budget Summary

Forecast Variance Month 5 £'000	Service	2016/17 TBM 5 Budget £'000	Reported at other Committees £'000	New Schemes in Appendix 5 £'000	Variation, Slippage/ reprofile £'000	2016/17 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Finance	53	0	0	0	53	53	0	0.0%
0	HR Organisational Develop	0	0	0	0	0	0	0	0.0%
0	ICT	3,519	0	0	0	3,519	3,519	0	0.0%
<b>0</b>	<b>Total Finance &amp; Resources</b>	<b>3,572</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,572</b>	<b>3,572</b>	<b>0</b>	<b>0.0%</b>

Details of Variation requests and explanations of significant Forecast Variances, Slippage or Reprofiles are given below:

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Finance &amp; Resources</b>				
No changes to report for Month 7				

**Note:** There are currently no capital budgets to report on for Strategy, Governance & Law and Corporate Services.

**New schemes to be added to the Capital Programme in 2016/17 to be approved**

<b>New Capital Project Approval Request</b>				
Unit:	Cityclean, City Environment Management			
Project title:	Commercial Waste - Schools & Public Buildings			
Total Project Cost (All Years):	£138,000			
<b>Purpose, benefits and risks:</b>				
Following a procurement process, Policy, Resources & Growth Committee approved the City Clean as the service provider for delivery of the council's corporate waste refuse disposal and recycling service for civic officer, social care, historic, operational and commercial buildings. In order to provide this service, City Clean need to procure the appropriate bins (£0.101m) and vehicles (£0.037m) for collection.				
<b>Capital expenditure profile (£'000):</b>				
Year	This Year	Next Year	Year After	TOTAL
Unsupported Borrowing	138			138
Total estimated costs and fees	138			138
<b>Financial implications:</b>				
It is estimated that the capital costs required to delivery the service will be £0.138m, to be funded from borrowing in the 2016/17 financial year. The cost of borrowing repayments have been included within the financial business case for the service and will be funded from the internal income payable to City Clean. It is anticipated that the delivery of the service will contribute towards service saving proposals. Any variations between revenue expenditure and approved budgets will be reported as part of the budget monitoring process.				

<b>New Capital Project Approval Request</b>				
Unit:	City Environmental Management			
Project title:	Purchase of Communal Bin Replacement			
Total Project Cost (All Years):	£398,000			
<b>Purpose, benefits and risks:</b>				
<p>Asset condition surveys indicate that there are approximately 100 communal refuse bins in urgent need of replacement, with a further 300 likely to reach their end of life usage very soon. This has led to a detrimental impact on the street scene and local environment, leading to a high number of complaints and may also be a contributory factor in the levels of graffiti and fly tipping that occurs at communal bin locations. The purchase of 400 new replacement communal refuse bins aims to address these concerns by replacing existing communal refuse bins and improving the appearance of the street scene.</p>				
<b>Capital expenditure profile (£'000):</b>				
Year	This Year	Next Year	Year After	TOTAL
Unsupported Borrowing	398			398
Total estimated costs and fees	398			398
<b>Financial implications:</b>				
<p>It is estimated that the capital costs associated to the recommendations in this report will be £0.398m, to be funded from borrowing in the 2016/17 financial year. Borrowing repayments will be made over a seven year period from the existing revenue budget within the City Clean service. The existing revenue budget for the City Clean bin replacement and maintenance programme is considered sufficient to fund the required borrowing repayments and also allow for an ongoing inspection and maintenance regime. Any variations between revenue expenditure and approved budgets will be reported as part of the budget monitoring process.</p>				

New Capital Project Approval Request				
Unit:	City Environmental Management			
Project title:	Saltdean Oval - Park			
Total Project Cost (All Years):	£165,000			
<b>Purpose, benefits and risks:</b>				
The Section 106 funding will go towards a range of play and recreational facilities at Saltdean Oval. These include benches, improved lighting, play equipment, gym apparatus, picnic benches, football posts and bins.				
<b>Capital expenditure profile (£'000):</b>				
Year	This Year	Next Year	Year After	TOTAL
External Contribution (inc S106)	165			165
Total estimated costs and fees	165			165
<b>Financial implications:</b>				
This figure is part of a larger Section 106 contribution of £0.335m which needs to be spent before January 2017 otherwise it may have to be returned to the developer.				



<b>Subject:</b>	<b>Budget Planning &amp; Resource Update and Draft Proposals 2017/18 to 2019/20</b>		
<b>Date of Meeting:</b>	<b>8 December 2016</b>		
<b>Report of:</b>	<b>Executive Director Finance &amp; Resources</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Nigel Manvell</b>	<b>Tel: 01273 293104</b>
		<b>James Hengeveld</b>	<b>01273 291242</b>
	<b>Email:</b>	<a href="mailto:nigel.manvell@brighton-hove.gov.uk">nigel.manvell@brighton-hove.gov.uk</a>	
		<a href="mailto:james.hengeveld@brighton-hove.gov.uk">james.hengeveld@brighton-hove.gov.uk</a>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE****1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 This report presents refreshed 4-year Integrated Service & Financial Plans (ISFPs) together with the associated budget strategy and approach to achieving financial balance in the context of reducing overall resources against substantially increasing costs and demands in social care and temporary accommodation. The proposals are based on a planning assumption of 1.99% Council Tax increases and additional 2% Adult Social Care precept increases over the 4-year period.
- 1.2 The Comprehensive Spending Review (CSR) 2015 confirmed the continuation of deficit reduction measures up to 2019/20 and indicated that Revenue Support Grant (RSG) for this council will reduce from £46.097 million to £6.523 million over the 4 year period 2016/17 to 2019/20; a reduction of £39.574 million. This position is likely to be fixed by the government's '4 year offer' recently applied for by the council (and the vast majority of English local authorities) and further reinforced by the Chancellor's recent Autumn Statement which indicated that government departmental control totals are unlikely to change. The RSG reduction in 2017/18 is £11.507 million.
- 1.3 2017/18 is a very challenging year particularly following on from a savings requirement of over £20 million in the current year (2016/17) and a total of £78 million over the previous 4 years. Further savings of around £51 million are anticipated to be required over the next 3 years, with £24.3 million of this falling in 2017/18. This requirement is higher than reported to the committee in July as a result of subsequent reductions to the Education Services Grant (ESG) and a reassessment of demand and cost pressures across social care, borne out by significant overspending in the current year.
- 1.4 Although the council has elected to apply for the government's '4 year offer', this does not mean that the council's financial position is completely stable as there are other grants and funding that may yet change. In particular, the impact of the revaluation of business rates from April 2017 is not clear, either in terms of any national re-distributional impact or the potential impact of successful appeals.

- 1.5 This report provides draft proposals to meet the £24.3 million savings requirement in 2017/18 along with outline proposals for 2018/19 and 2019/20. As before, proposals include invest-to-save requirements in order to achieve planned savings; these will be supported by one-off resources subject to the approval of business cases. It should be noted that the draft proposals do not meet the budget gap in full and there is a shortfall of £3.2 million for which further options are being considered as set out in paragraph 3.24.
- 1.6 The feedback from further consultation and engagement following publication of these draft proposals will be used to adapt the proposals which will be re-submitted to Policy, Resources & Growth Committee on 9 February 2017 prior to a final decision by Budget Council on 23 February.

## **2. RECOMMENDATIONS:**

That the Policy, Resources & Growth Committee:

- 2.1 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.
- 2.2 Note the Budget Strategy and approach to meeting the financial challenge next year and over the life of this parliament.
- 2.3 Notes the refreshed 4 year ISFPs including detailed draft proposals for savings in 2017/18 towards meeting the identified budget gap.
- 2.4 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.
- 2.5 Notes the update on the HRA budget set out in paragraphs 3.40 to 3.43.
- 2.6 Notes the Capital Investment Programme update set out in paragraphs 3.44 to 3.48.
- 2.7 Receive and note the Equality Impact Assessments undertaken in relation to the draft budget proposals.

## **3. CONTEXT/ BACKGROUND INFORMATION**

### **Resources and Local Government Finance Settlement for 2017/18 and the 4 Year Offer**

- 3.1 As part of the provisional Local Government Settlement announced on the 17 December 2015, the secretary of state for Communities and Local Government announced a 4 year funding offer for local authorities for the period 2016/17 to 2019/20 and provided indicative allocations of certain funding streams over the 4 year period. This Committee agreed to accept the 4 year offer at the 13 October 2016 meeting. The government had originally indicated it would confirm certain funding streams soon after the 14 October acceptance deadline but to date no further confirmation has been received. Therefore the current funding assumptions are based on the indicative allocations provided alongside the 2016/17 local government finance settlement.
- 3.2 A major element of the local government finance settlement is the assumed resources the council will retain from the 49% share of Business Rates income.



Business Rates have been revalued for the first time since 2010 and the new rating list will apply from 1 April 2017. This revaluation will be fiscally neutral nationally but causes significant distributional change amongst local authorities. Based on the draft 2017 rating list published in October, Rateable Values in Brighton and Hove have increased by 17.1% compared to the national increase of 9.6%. The largest regional increase was 23.7% in London. Government has consulted on a proposal for adjusting the top up and tariffs mechanism with the aim of minimising the impact of distributional change from revaluation on local authorities. However the outcome of this has yet to be announced and therefore the financial impact cannot be quantified until more detail is released. With a new rating list, a judgement will also need to be made on the level of successful appeals that will materialise. The business rates income forecast for 2017/18 and beyond therefore remains highly uncertain and assumes that revaluation will have a neutral impact on the council.

- 3.3 In the summer, the government launched a consultation on local authorities retaining 100% of their business rates by 2020. The outcome of the consultation is yet to be announced but is expected to be introduced for the 2020/21 financial year. The proposal is expected to be fiscally neutral and potentially includes transferring certain existing grants and new responsibilities to local authorities from 2020 and therefore is not additional funding to meet the cost of existing services. However, the move will further incentivise business growth to generate additional income to fund council services in future years. The move to 100% Business Rates retention is a fundamental change to local authority funding and until further detail is announced, financial planning beyond 2019/20 is subject to significant change.
- 3.4 The government has consulted on the Referendum Principles 2017/18 which sets out the threshold above which an increase in council tax requires confirmation from a local referendum. The consultation included a core principle of a 2% threshold alongside the continuation of the additional 2% Adult Social Care Precept. The outcome of this consultation is still awaited.
- 3.5 The Education Services Grant allocation for the city is currently £2.895 million of which £0.478m relates to retained duties. This grant is due to be phased out as part of savings nationally of around £600 million. The government originally planned to reduce the local authority role in running schools by the removal of a number of statutory duties, however no legislation is currently planned but the funding reduction is going ahead. The government will provide some transitional funding in 2017/18 estimated at £1.0m meaning a reduction of £1.9m in 2017/18 and a further £1.0m in 2018/19. The reductions in grant are reflected in the budget assumptions. The retained duties element of £0.478m is planned to be recovered through schools (and therefore funded by the Dedicated Schools Grant) and this is reflected in the 4-year proposals for Families, Children & Learning.
- 3.6 The government issued technical consultation on proposed changes to the New Homes Bonus grant scheme including potentially significant reductions in 2018/19 estimated at £1.7 million. To date, net gains in New Homes Bonus have been treated as a recurrent resource however, as the scheme is changing, it is planned to use any net gain in the 2017/18 allocation as one off resources to avoid creating further savings pressures in future years. The latest estimate provides a net gain of £0.724 million.

- 3.7 The final Council Tax Base and Business Rates forecasts for 2017/18 will be presented in separate reports to this committee in January 2017. The current estimated council tax base assumes a net 1% increase in 2017/18. This is mainly from an increase in new properties and the continued reduction in all ages of Council Tax Reduction claimants. The estimated business rates base remains unchanged from the projections in July as a result of the uncertainties highlighted in paragraph 3.2. Since July there has been a further erosion of the tax base due to successful appeals however the estimate assumes this is offset by a higher September Retail Price Index than previously assumed.

### **Latest Position in 2016/17**

- 3.8 The Month 7 Targeted Budget Management (TBM) report elsewhere on the agenda shows a projected overspending of £3.450m on the General Fund which includes a projected overspend of £0.419m on the council's share of NHS controlled s75 partnership services. The overall overspend shows an improvement of £0.295m since Month 5 as presented to the Committee in October. The report highlights the need for mitigating actions across the council to reduce the overspend further.
- 3.9 Resources need to be set aside to cover this overspend to avoid impacting on the 2017/18 position if breakeven cannot be achieved by the year-end and Table 1 in the reserves section shows what impact this may have. The council has risk provisions of £3.000m available to mitigate the position, however restructure and redundancy costs are expected to be approximately £0.600m higher than anticipated which will be a first call against risk provisions. Preliminary consideration of the impact of the in-year overspend on the service pressures requirements for 2017/18 and the deliverability of the savings proposals has been undertaken, however this will need further review at Month 9 when the final budget proposals are put forward for decision.
- 3.10 The council's share of the net deficit on the Council Tax and Business Rates collection funds is forecast to be £1.177m in 2016/17 and this will need to be factored into 2017/18 budget setting.

### **Reserves Position**

- 3.11 The Working Balance needs to be maintained at a minimum of £9m over the next 4 years of the Medium Term Financial Strategy. Determining the appropriate levels of working balance requires a professional judgement based on local circumstances including the overall budget size, risks, robustness of budget estimates, major initiatives being undertaken, budget assumptions, levels of other earmarked reserves and provisions, and the council's track record in budget management. The consequences of not keeping a minimum prudent level of balances can be serious. In the event of a major problem or a series of events, the council would run a serious risk of a deficit or of being forced to cut or curtail service provision in a damaging and arbitrary way. The assumptions and risks will be formally reviewed in February 2017 as part of the final budget proposals.
- 3.12 The following table shows the projected General Reserves position to 31 March 2017 assuming spending is in line with the latest projections for 2016/17 shown in the TBM Month 7 report.

<b>Table 1 - General Reserves</b>	
	<b>£m</b>
Net Overspend at Month 7 (TBM)	3.450
2016/17 risk provisions	-3.000
Additional Restructure & Redundancy costs in 2016/17	0.600
Estimated council tax collection fund 2016/17 surplus	-0.654
Estimated business rates retention collection fund 2016/17 deficit	1.831
Estimated net gain from 2016 New Homes Bonus	-0.724
Release of unused Rugby World Cup resources	-0.100
<b>Projected total one off resource shortfall</b>	<b>1.403</b>

- 3.13 Table 1 shows a shortfall in resources of £1.403m based on the current TBM and collection funds position. The 4-year ISFPs include the need for investment to support the delivery of savings and service transformation; allocations were made to support 2016/17 and indicative allocations for 2017/18 to 2019/20 funded from a combination of one off resources and capital receipts.
- 3.14 These allocations are being reviewed in the light of the updated ISFPs and this review, alongside a full review of reserves will be completed and the outcome of the review will be reflected in the February budget report along with any changes to the TBM position at Month 9.

### **Fees and Charges**

- 3.15 As agreed by this Committee in July, the budget assumes a standard 2% increase in fees and charges. Any proposals to increase charges over and above those assumptions will therefore contribute to closing the budget gap. Charges have been or are planned to be agreed by the relevant service committees as follows:

<b>Table 2</b>		
<b>Fees &amp; Charges Area</b>	<b>Meeting</b>	<b>Date</b>
Private Sector Housing – HMO Licensing (set for 5 years)	Housing & New Homes Committee	17/06/2015
Royal Pavilion and Museums	Economic Development & Culture Committee	17/11/2016
Licensing and Enforcement	Licensing Committee	24/11/2016
Children & Young People	Children, Young People & Skills Committee	09/01/2017
Venues	Economic Development & Culture Committee	12/01/2017
Libraries	Economic Development & Culture Committee	12/01/2017
Seafront and Outdoor Events	Economic Development & Culture Committee	12/01/2017
Parking and Highways	Environment, Transport & Sustainability Committee	17/01/2017
Environmental Health, Trading Standards, Planning and City Parks	Environment, Transport & Sustainability Committee	17/01/2017

<b>Table 2</b>		
<b>Fees &amp; Charges Area</b>	<b>Meeting</b>	<b>Date</b>
Housing Revenue Account	Housing & New Homes Committee	18/01/2017
Life Events	Policy, Resources and Growth Committee	19/01/2017
Adult Social Care Non-residential care services	Health & Wellbeing Board	31/01/2017

- 3.16 A review of the council's approach to fees and charges forms part of the Value for Money Programme. The council's Corporate Fees & Charges Policy requires that all fees and charges are reviewed at least annually and should normally be increased by either the standard rate of inflation; statutory increases; or actual increases in the costs of providing the service as applicable.

### **Cost, Income and Demand Pressures**

- 3.17 The July 2016 budget projections for 2017/18 included £5.000 million for service pressures, £0.950 million for unringfenced grants pressures and £2.425 million specifically for cost pressures in Adult Social Care funded from resources expected to be raised through the Adult Social Care Precept; in total £8.375m. However, these assumptions have been revised to take account of the underlying pressures experienced in the current financial year, in particular for Adults and Children's social care and homelessness and their impact in 2017/18 as well as the estimated impact of the reductions in Education Services Grant. The total cost, income and demand pressures above standard inflation are now estimated to be £14.369 million including £2.100 million for unringfenced grants. This estimate will be further reviewed when unringfenced grants are confirmed and the updated TBM information up to December 2016 (TBM Month 9) is known.
- 3.18 The 2017/18 budget includes £0.800m of new recurrent risk provisions along with the £1.500m recurrent risk provision built into 2016/17 budget. The level of risk provision required in 2017/18 will need to be considered alongside the level of financial risk remaining in service budgets after allowing for cost, income and demand pressures and therefore consideration needs to be given to the balance between risks provisions held corporately and setting robust service budgets.
- 3.19 The final treatment of pressure funding and risk provisions will be included in the budget report to this committee in February when the overall resource position is known, including the TBM month 9 2016/17 position.
- 3.20 The Apprenticeship Levy is due to come into force on 1<sup>st</sup> April 2017. The levy is calculated at 0.5% of pay and is estimated to be £0.550 million for the general fund (£0.5 million across schools and £0.03 million for the HRA). This sum has been assumed to be a net increase in costs for the council however all services are reviewing their apprenticeships and training to ensure the council takes advantage of the resources available through apprenticeship funding.

## Changes in budget commitments

- 3.21 Since the July Budget update report to this Committee there have been some changes to commitments included in the budget. The report on the roll out of wheeled bins for recycling elsewhere on this agenda creates a commitment within financing costs of £0.200 million to fund the borrowing. A further commitment of £0.075m in 2017/18 and £0.075m in 2018/19 is proposed to support the 'poverty proofing the school day' initiative.

## Budget Gap (Savings requirement)

- 3.22 The Medium Term Financial Strategy has been revised to reflect the latest cost pressure assumptions and identifies a projected £51.2 million budget gap over the next 3 years assuming a 1.99% council tax increase and 2% additional Adult Social Care Precept. The projected gap for 2017/18 is £24.347 million. These projections are subject to change once the Local Government Finance Settlement is known. The Table below shows how the budget has changed for 2016/17 to 2017/18.

<b>Table 3 Breakdown of Budget Gap</b>	<b>£'000</b>
Pay and standard inflation	5,099
Cost, income and demand pressures	12,269
Other budget changes	513
Reductions in RSG and unringfenced Grants	13,608
Inflationary increase on fees and charges	-2,032
Additional Council Tax and BRR Income	-5,110
<b>Budget Gap (Savings Requirement)</b>	<b>24,347</b>
Savings identified for 2017/18	-20,846
Tax base savings identified for 2017/18	-341
<b>Remaining gap</b>	<b>3,160</b>

## Further actions to meet the remaining gap

- 3.23 In common with last year, draft savings proposals to close the gap and achieve a balanced budget have been developed across the whole council by challenging all areas of spend to see what can potentially be stopped (in terms of funding), retained, and redesigned; or alternatively what can be considered for commercial opportunities or an alternative delivery model (e.g. Trust status or outsourcing). Proposals are based on what can be delivered and achieved within an acceptable level of delivery risk within 2017/18. Where this is not possible, due to risk, complexity, consultation requirements or other considerations, but where savings are achievable in the longer term, this is reflected in later years of the 4 year plan.
- 3.24 The proposals presented to date **do not** currently close the budget gap. There remains an imbalance of £3.160m. Further options are therefore being explored including:
- Critically re-assessing the trends and predictions for growth in demands and needs across social care and homelessness to determine whether or not a lower level of funding is possible;

- Reviewing the adequacy and application of (i.e. need for) all reserves and balances, including risk provisions;
- Managing longer term implementation time scales for very complex proposals, e.g. integration of health and social care, through the use of one-off resources or reserves (i.e. 'smoothing') in lieu of greater savings in later years which can then be used to reinstate reserves;
- Funding or financing switches to ease pressures on the revenue budget e.g. borrowing versus revenue spending or capital receipts versus borrowing. The former amounts to spreading expenditure over a longer time frame to ease short term revenue budget pressures but everything must be paid for eventually.

#### **4-Year Integrated Service & Financial Plans and Budget Strategy**

- 3.25 Last year the Council adopted a longer term service and financial planning approach in order to set out a clearer direction of travel and map out a budget plan for addressing a predicted £68m budget gap over the 4 year period until the end of this Parliament. This approach has been recognised by Ernst & Young, the council's external auditors, who provided a positive view on the council's achievement of value for money and financial resilience as a result.
- 3.26 The council is now almost a year into the 4-year plan and savings of around £20m will be delivered by the end of 2016/17. The remaining 3 years (2017/18 to 2019/20) will be more challenging as demands and costs continue to grow while government funding from the Revenue Support Grant will reduce by a further £26m. The council's agreement to sign up to the government's '4-year offer' provides a level of certainty over government funding, but when demand and cost pressures are added, an overall budget gap of £51.4m is predicted between 2017/18 and 2019/20. This means that substantial savings need to be found to balance the budget.
- 3.27 Next year, 2017/18, is particularly challenging and it is anticipated that savings of £24.3m will be required to balance the budget. This 'budget gap' is driven by a number of key factors:
- Increased demand for Adults Social Care services, for example, due to people living longer but with increasingly complex social care needs;
  - Increased costs across children's services due to increasing numbers of children on child protection plans, the increasing cost of care leavers and the cost of care;
  - Increased costs of social care contractual costs, Deprivation of Liberty Safeguard assessments and National Living Wage impacts;
  - Inflationary pressures, for example, increasing costs of temporary accommodation leased by the council to tackle homelessness, due to private sector rent increases and housing supply issues;
  - Substantially reducing government grant funding, particularly in relation to Revenue Support Grant and Education Services Grant.
- 3.28 To protect services for vulnerable people, the council will need to invest £12.269m service pressure funding to meet projected adult and children's social care and homelessness cost and demand increases. Alongside the reductions in government funding and other budget changes outlined in Table 3 above, the council must therefore identify a package of recurrent savings of £24.3m in 2017/18 to achieve a balanced budget. However, savings do not have to be

targeted on services in the same proportion as anticipated increases in costs and demands as there may be other areas where there is greater opportunity to save money without impacting adversely on service provision or availability.

- 3.29 The council has had to make savings of over £78m in the previous 4 years, meaning that further measures inevitably become harder to identify, carry greater delivery risks and may have greater impacts on residents, customers and service users.

### ***City Council Budget Strategy***

- 3.30 The council is a large public service provider and commissioner covering around 700 individual services that support many different priorities and statutory requirements. The budget strategy is inevitably multi-stranded and complex as reflected by the wide range of savings proposals identified in the 4-Year ISFPs at appendix 2.

- 3.31 Given the final challenges, the council's budget strategy will be focused on getting basic services right while continuing to support the key priorities set out in the Corporate Plan and will essentially continue to:

- Protect services for vulnerable adults and children as far as possible while continuing to redesign services, collaborate and integrate further with health services, and ensure that statutory responsibilities are met. It will also be important to reframe preventive and Public Health services while maintaining an effective balance between affordability and negatively impacting on longer term costs.
- Deliver major regeneration and investment programmes to drive economic growth and build the business rate base. Continued delivery of the City and City Region's multi-billion pound investment programmes to deliver new housing, employment space and jobs, including delivery of the Seafront Investment Programme, completing the renovation of Shelter Hall, progressing the Brighton Waterfront Proposals, Madeira Terraces, King Alfred, and Preston Barracks developments.
- Focus capacity, capital resources, financing strategies and assets on helping the economy to grow through innovative partnerships, including the Greater Brighton Economic Board, the Local Enterprise Partnership, housing associations and other developers.
- Continue to implement the approach outlined in the council's Efficiency Plan developed in 2016/17 and submitted as part of the application process for the government's 4-year offer<sup>1</sup>. In summary, this includes the following approaches:
  - Modernisation, of services including exploring different models of service delivery to improve efficiency, value for money, and outcomes for residents, including developing accessible digital services where appropriate. Where it is decided to retain council services, they will be redesigned and benchmarked to ensure costs are appropriate and that management and administrative costs are continually challenged.
  - Exploring innovative solutions including commercial opportunities for self-financing through income generation in some services, while continuing to ensure non-statutory fees & charges fully recover costs and that

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<sup>1</sup> Brighton & Hove City Council Efficiency Plan is available on the web site [here](#)

procurement and contract management continues to drive value in the £300m spent on services provided by third parties.

- Work to create neighbourhood hubs to ensure effective co-production of community services and enforcement, and improve community engagement with residents, promoting self-reliance wherever possible.
- Offset some of the growth in demand and costs across social care and homelessness by applying Council Tax increases up to the government's threshold of 2%, together with the additional 2% increase for the Adult Social Care precept.
- The budget strategy will be mindful of the need to support equality and will be underpinned by impact assessments and meaningful engagement and consultation with people, partners and other stakeholders affected by changes to services.

### ***Delivering the Strategy***

- 3.32 Delivering the budget strategy over the next 3 years demands effective project and programme management, strong governance and decision-making, and resilient leadership and partnership working. The council will consequently require substantial one-off investments, for example, to facilitate changes in service provision, invest in digital services, fund restructuring and redundancy costs, and provide project and change management and other technical expertise that may not be available in-house.
- 3.33 Failure to invest in implementation will heighten the risk that day-to-day service delivery will crowd out change. Due to the complexity and breadth of budget proposals, responsibility for delivery is delegated to service directorates but will be supported by additional modernisation funding. More information about specific service strategies and budget proposals can be found within the service directorates' 4-Year ISFPs at appendix 2.
- 3.34 In summary, the approach contained in the budget strategy and 4-year plans and supported by the draft capital and revenue budget proposals is as follows:

### ***Getting basic services right and making the city an enjoyable place to live and work***

- Modernising services through the Digital First programme with around £6m capital investment over the next few years to improve mobile working, efficiency, and digital accessibility of services for residents and visitors;
- Developing Neighbourhood Hubs to improve community engagement and collaboration in relation to community and enforcement services, for example across licensing, planning, and environmental services, to ensure that the lives of residents are not adversely affected by low level illegal activities;
- Investing in recycling and collection to improve services and protect the environment;
- Investing in transport infrastructure, traffic management strategies and street lighting to improve safety and the environment;
- Continuing to develop Housing programmes and financing solutions to address housing supply issues and reduce homelessness;
- Undertaking a citywide review of the supported bus network including re-procurement of this service in 2017;



- Developing self-service for support services through the Orbis shared service partnership with West Sussex (legal only), Surrey County Council and East Sussex County Council to reduce costs and staffing across Finance, Revenues & Benefits, HR, ICT, Legal, Procurement and Property Services;
- Maximising the economies of scale and contractual savings available through the Corporate Landlord model, including continued rationalisation of the council's administrative buildings;
- Continuing to improve procurement and, particularly, contract management to ensure that maximum value is derived from £300m external supplier and provider spend;
- Over £2m management savings are proposed and further opportunities to streamline management costs will continue to be explored through shared service arrangements, reviewing management spans of control and new ways of working. However, relative to the magnitude of service savings required over the next 2-3 years, further management savings are likely to be very small in scale and it will be important to ensure that we remain able to safely discharge our statutory, legal, financial and duty of care responsibilities particularly at a time when we are aiming to deliver major service change and budget savings on top of the day to day operational management of services.

***Protecting provision for vulnerable people as the city's population grows and the cost of care rises***

- Investing savings and taxation increases in essential services to ensure that projected increases in statutory demands and needs can be met safely and to adequate inspection standards. £6.623m will be provided to meet growing costs and demands across Adult Social Care, £2.712m for increased costs and additional care leaver responsibilities in children's social care services and £2.232m for homelessness to meet temporary accommodation costs;
- Further protecting services for vulnerable adults and children by getting the balance between universal, preventative and targeted services right without impacting on longer term care costs;
- The budget supports continued Children's Centre service provision by reframing and redesigning other preventative services including Early Help, Troubled Families and Public Health services, taking into account the findings of the Fairness Commission where possible (and affordable);
- Maintaining support for Welfare Reform - expected to affect over 600 families in the city - through advice and support to ensure people are helped to move to sustainable tenancies wherever possible and help them onto a sustainable financial footing. Discretionary funds will continue to be provided to help those who suffer severe short term financial hardship;
- Potential development of an in-house secure residential facility for high risk and high cost adolescents will be explored to determine whether this can help to avoid high out-of-city costs;
- Focusing on increased prevention of homelessness with key partners and assisting homeless households to move to alternative lower cost provision;
- Development of new Temporary Accommodation through commissioning a council housing stock review to deliver conversions of existing under-used or unused buildings or spaces;
- Continuing to develop the new models of social work practice across children's social care to avoid higher cost care pathways and placements;

- Bringing together children's disability services and adult learning disability services to manage and reduce the demands that arise when young people transition into adult services;
- Continuing to reduce the reliance on independent foster agency placements to minimise cost;
- Engaging fully with the Brighton & Hove Caring Together initiative through integrated commissioning with the Clinical Commissioning Group (CCG), the Better Care Programme and the Sustainability & Transformation Plan for the area to ensure greater collaboration and integration with Health Services and reduce the cost of health and social care and help support people to live in the community for longer;

### ***Supporting economic growth and regeneration that benefits everyone***

- Growing the economy through the Greater Brighton Partnership and long term capital investment through major regeneration programmes to renew and strengthen the infrastructure of the city;
- Drawing in private sector investment to create jobs and ensure that economic gains are fairly distributed;
- Maintaining a resilient Planning Service will be an important factor in the delivery of the regeneration programme;
- Developing a Housing Joint Venture to increase affordable housing supply;
- Making the most of our assets to generate new long term revenues for the council to protect essential public services;
- Growing a commercial approach to waste and street cleaning services with a focus on income opportunities;
- Moving the Royal Pavilion & Museums over to a Trust Status delivery model;
- Introduction of a new model of delivery for Parks and Open Spaces.

### ***Outcome Based Budget Allocation***

- 3.35 The strategy outlined above will allocate resources for 2017/18 as shown in Table 4 below to achieve the desired outcomes. The change in budget for each directorate reflects a balanced judgement about the level of funding required in each area to support priorities, meet statutory responsibilities and deliver change.
- 3.36 The change in budget from 2016/17 to 2017/18 for each area will therefore be the combined result of:
- Inflation provision, where appropriate, to avoid real terms reductions;
  - Commitments (e.g. for the impact of decisions previously approved by the council);
  - Service pressure funding (i.e. provision recognised in the budget to meet growing statutory demands, needs or costs, particularly across social care);
  - Savings (i.e. net savings from the 4-year Integrated Service & Financial Plans aligned to the budget strategy above).
- 3.37 The combination of these factors will give rise to a net change in each directorate's overall budget resources as shown below and in appendix 1.

**Table 4 – Indicative movement in Service Budgets**

Service Directorates	2016/17 Net Budget £'000	2017/18 Proposed Net Budget £'000	Increase / Decrease Over 2016/17 %
Health & Adult Social Care	50,053	49,855	-0.4
Families, Children & Learning	81,673	83,070	+1.7
Economy, Environment & Culture	32,709	28,843	-11.8
Neighbourhoods, Communities & Housing	15,175	14,952	-1.5
Finance & Resources	19,892	17,949	-9.8
Strategy, Governance & Law	5,229	4,671	-10.7
<b>Total Service Budgets</b>	<b>204,731</b>	<b>199,340</b>	<b>-2.6</b>
Corporate and other Budgets	4,840	7,334	n/a
Remaining Budget Gap	0	-3,160	n/a
<b>Total Council</b>	<b>209,571</b>	<b>203,514</b>	<b>-2.9</b>

- 3.38 Overall, it can be seen that the council expects a reduction in budget resources of 2.9%. This reflects the overall reduction in funding available to the council from government grants and taxation which is detailed in Appendix 1. Even at this draft budget stage it is clear which service areas will be protected and which are able to achieve greater efficiencies. However, there remains a budget gap of £3.160m to address which may alter the final proposed allocations slightly.
- 3.39 The 4-year Service & Financial Plans at appendix 2 include proposals for each directorate with an accompanying 4-Year Budget Strategy statement. The total General Fund savings identified in the draft proposals and the remaining potential budget gaps are outlined below:

<b>Table 5</b>	<b>2017/18 £'000</b>	<b>2018/19 £'000</b>	<b>2019/20 £'000</b>	<b>Total £'000</b>
Budget Gap	24,347	15,667	11,174	51,188
Budget proposals	-21,187	-11,536	-7,241	-39,964
Remaining Gap	<b>3,160</b>	<b>4,131</b>	<b>3,933</b>	<b>11,224</b>

The 4-Year ISFPs at appendix 2 provide the following information for each service heading:

- Service Area name (and description);
- Gross Budget (current) – this is provided for contextual (scale) information only and is the current total expenditure for the service including staffing, transport and premises related costs, supplies and services, contract or provider costs, grants and other transfer payments;
- Net Budget (current) – also provided for contextual information, this is the current Gross Budget less any income from fees and charges, specific government grants, rents, or external/partner funding (e.g. health service funding);

- Budget FTE (current) – further contextual information indicating the current Full Time Equivalent (FTE) staffing budget for the relevant service area;
- Rationale for Strategy – provides a brief description of the service’s main objectives and the strategic approach adopted for improving value for money or reducing spending over the 4-year period;
- Service & Financial Proposal – a brief description of the measures that will be undertaken to achieve savings over the 4 years; often with more detail provided for 2017/18;
- Delivery Risk and Impact on Outcomes – identification of potential risks to delivery and/or the level of saving achievable and a summary of the potential impact of the service strategy on outcomes for customers, service users, clients, partners and other stakeholders as appropriate;
- Saving 2016/17 – for information only, this identifies savings already delivered or being delivered in the current financial year which is Year 1 of the 4-Year Plan;
- Savings 2017/18 to 2019/20 – proposed amounts to be saved over the remaining 3 years of the 4-Year Plan. The Council will only formally approve the proposals for 2017/18 (highlighted) for which there is a statutory requirement to set and approve a budget and Council Tax.

### **Housing Revenue Account (HRA)**

- 3.40 The Housing Revenue Account (HRA) is a ring-fenced account which covers the management and maintenance of council owned housing stock. This must be in balance meaning that the authority must show in its financial planning that HRA income meets expenditure and that the HRA is consequently viable. Although the HRA is not subject to the same funding constraints as the General Fund it still follows the principles of value for money and equally seeks to continuously improve efficiency and achieve cost economies wherever possible. Benchmarking of both service quality and cost with comparator organisations is used extensively to identify opportunities for better efficiency and service delivery.
- 3.41 The HRA Budget aims to balance the priorities of both the council and housing residents within the context of the Housing Strategy 2015, and the Corporate Plan 2015-2019 which sets out the overall direction for the council over the next four years. The 2017/18 budget includes savings proposals of £0.815m which include a number of efficiencies, savings from the procurement of the gas serving contract, reductions in responsive repairs expenditure and additional income.
- 3.42 Rents will continue to be calculated in accordance with government’s rent guidance. The Welfare Reform and Work Act 2016 received Royal Assent in March 2016; the act details that social rents should be reduced by 1% per annum over a 4 year period commencing from 2016/17.
- 3.43 The HRA Budget & Investment Programme 2017/18 and the Medium Term Financial Strategy (MTFS) will be reported separately to Housing & New Homes Committee in January 2017, and Policy & Resources Committee and Council in February 2017.

## Capital Programme

- 3.44 A 10-year capital programme has been developed and included in the MTFs. A detailed Capital Investment Programme will be presented to Policy, Resources & Growth Committee in February prioritising the resources available to the council given the risks associated with delivering the planned high level of receipts. The programme will be a fully funded capital investment programme. The capital strategy identifies longer term capital investment plans as well as a funding strategy and the potential outcomes for each investment plan. This strategy includes major investment requirements such as new pupil places, investment in the seafront infrastructure and partnership investment through major projects such as Brighton Waterfront. The strategy also includes Heritage Lottery Fund bids such as the Stanmer Park Master Plan, Royal Pavilion Estates Regeneration and the Volks Railway. Successful bids for government funding through the City Deal will support the development of New England House, Circus Street, Preston Barracks and transport initiatives such as Valley Gardens Phase 1&2, the Brighton Bike Share Scheme and the Intelligent Transport System.
- 3.45 The projected capital programme and resources for the next 10 years are included in the table in Appendix 3. Investment in ICT had increased from £0.5m per year to £2.0m over the 3 year period for 2016/17 to 2018/19 with future years reverting back to £0.5m. This element was revised to £2.0m per year until 2018/19 to support the Customer First in a Digital Age programme. Grant funding is provided to the council as a Single Capital Pot and with the exception of Devolved Schools Capital Grant and can be prioritised as the council sees fit. Unringfenced government grants for education, transport and health are projected to be £23.745m in 2017/18 but are subject to confirmation from the Government in December 2016. Education new pupil places grant of £11.445m has been announced for 2017/18 however there is zero funding allocated to the council for 2018/19 and no further allocations announced beyond that date. Education maintenance grant of £4.909m has been announced for 2017/18 and again no further announcements beyond that date. Allocations for the Local Transport Fund (LTP) have been announced for £5.391m in 2017/18 and indicative LTP allocations of £5.169m pa have been announced up to and including 2020/21. Adult Social Care Grant has been estimated at £1.500m annually to support both Better Care Funding and Disabled Facilities Grant; these have yet to be confirmed by Government.
- 3.46 Capital receipts support the Capital Investment Programme and include receipts from the disposal of Kings House, Patcham Court Farm, 251-253 Preston Road, Preston Barracks, Hollingbury Library, the land at the Cliff and a number of non-core rural assets to support the Stanmer Park redevelopment project. Receipts associated with Workstyles Phase 3 such as the disposal of Kings House are ringfenced to support that project and help deliver future efficiency savings with any surplus receipt released to support corporate priorities. Ringfenced capital receipts are also projected to support property commercial reinvestment, the Waterfront project and the HRA Capital Investment Programme. The Capital programme included in appendix 3 has a fully funded capital programme for 2017/18 and the programme will be updated for any funding announcements and the latest position at TBM month 9 when it is presented to this committee in February 2017.

- 3.47 The implementation of the 4 year ISFPs requires significant investment and capital receipts have been earmarked to support this corporate priority. The investment in Digital First will help underpin service changes, but in addition service plans have identified specific investment requirements over the 4 year period. Services will be required to bring forward detailed business plans including all project management and related costs, identify outcomes and risks to support any investment decisions before any funding is allocated. The scale of staffing changes will mean the council's Restructure & Redundancy Reserve will also need to be funded to support change in addition to the service specific investments.
- 3.48 Indicative allocations for the 4 year ISFP's were included in the budget agreed at Budget Council in February 2016. Revised estimates are being prepared in light of the updated ISFP's and these will be included in the budget report to this committee in February 2017.

### **Staffing Implications**

- 3.49 At this stage in the budget process it is difficult to determine exactly how many staff may be affected by the proposals. A broad estimate is that in 2017/18 a further 140 posts may be removed from the council's staffing structure as a result of the savings proposals set out in Appendix 2. However, actual numbers will be dependent on the detailed options proposed and on the results of formal consultation where required. Some of these posts are already vacant and some will become vacant through normal turnover.
- 3.50 The 4-year integrated service and financial plans provide further information about reductions in posts up to 2020 and currently indicate that approximately 300 posts will be removed from the staffing structure over the remaining 3 years. This figure is likely to increase as service plans become clearer for subsequent years and remaining budget gaps are addressed. This information is now being used to plan for reductions in the workforce to mitigate the impact on staff and focus redeployment, outplacement and voluntary severance activity. A redeployment co-ordinator has recently been appointed to provide a focused resource to support those at risk of redundancy. Improved information on the establishment will provide opportunities to identify potential vacancies for redeployment in addition to considering those posts that have been put forward for recruitment.
- 3.51 In addition to the posts mentioned above, the transfer of some services to alternative models of delivery may result in the TUPE transfer of some staff to other organisations. The proposals over the next 3 years currently include the transfer of approximately 320 posts, although the figure could increase as plans become clearer. Changes have been proposed to our tender process to ensure that the Trade Unions have involvement as stakeholders where there is a potential TUPE transfer of staff. Close working with future providers of services will ensure that staff are fully engaged and consulted with as they move into other organisations.
- 3.52 It is planned to support staff at risk of redundancy through:
- Providing appropriate support to staff throughout the change process to enable them to maximise any opportunities available;

- Controlling recruitment and ensuring there is a clear business case for any recruitment activity;
- Managing redeployment at a corporate level and maximising the opportunities for movement across the organisation;
- Using improved information about the establishment to identify vacancies across the organisation;
- Limiting the use of temporary or agency resources through the financial controls currently in place.

These measures will continue as work with trades unions and colleagues continues on the detailed staffing implications.

3.53 Whilst the focus will be on redeployment of staff every effort will be made to reduce the impact of the proposals including offering voluntary severance where appropriate to staff in service areas affected by budget proposals on a case by case basis. This targeted voluntary approach to releasing staff in areas undergoing change will be managed to support service redesigns, whilst ensuring that the organisation retains the skills that will be needed into the future.

### Timetable

3.54 The Timetable for budget papers is given below in table 6. This timetable does not include detailed plans for ongoing consultation with stakeholders and this will be determined in conjunction with those involved.

<b>Date</b>	<b>Meeting</b>	<b>Papers / Activities</b>
23 Nov 2016		Autumn Statement
Mid to Late Dec 2016		Provisional Local Government Finance Settlement
18 Jan 2017	Housing & New Homes Committee	Housing Revenue Account Budget and Capital Programme
19 Jan 2017	Policy, Resources & Growth	Tax base report and Business Rates retention forecast
9 Feb 2017	Policy, Resources & Growth Committee	Month 9 Forecast of 2016/17 budget position. General Fund Revenue Budget. 2017/18 and 4 Year Budget Strategy. Housing Revenue Account Budget and Capital Programme. Capital Investment Programme.
23 Feb 2017	Budget Council	

## 4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The budget process allows all parties to engage in the examination of budget proposals and put forward viable alternative budget and council tax proposals to Budget Council on 23 February 2017. Budget Council has the opportunity to

debate the proposals put forward by this Committee at the same time as any viable alternative proposals.

- 4.2 Any alternative proposal will need prior assessment by the Section 151 Chief Financial Officer and will not normally be allowed where an estimate is not considered to be robust for one of the following reasons:
- i) The risk of not achieving the saving is assessed to be untenably high;
  - ii) There is insufficient evidence or information to assess the potential saving;
  - iii) The alternative proposal is adding to or bringing forward an existing saving without further information as to how this can be achieved;
  - iv) The alternative proposal requires one-off investment or loan financing that cannot be supported;
  - v) The alternative proposal is beyond the powers and duties of the local authority.

## 5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 The scale of the budget gap over the medium term to 2019/20 has necessarily required the development of saving and cost reduction proposals that have significant implications for the design and delivery of many council services. This is likely to carry higher risks for the impact on service delivery than in recent times and requires effective consultation and engagement on not only service changes but also financial planning over the medium term.
- 5.2 General information and advice about the council's budget will be provided through the council's web site and via a refreshed 'Budget Animation' available on YouTube™ which shows how money is spent on services, where the money comes from and a summary of the financial challenges ahead.

The council has also widely publicised its online social media inviting residents and stakeholders to give us their views and ideas on Twitter via **#BHBudget**. Social media continues to be a key, low cost, mechanism for engaging with residents and other stakeholders. Key proposals from the 4 year budget strategies will be publicised, along with information about council services, and questions and comments invited from residents immediately following their publication over the period leading to the February Policy, Resources & Growth Committee meeting. A summary of response threads will be provided to all political groups through the Budget Review Group and appended to the February budget report.

Other consultation and engagement processes are as follows:

- 5.3 Various events including meetings with the Older Peoples Council and a Youth Council event are planned and information is being shared with Strategic Partners and community groups to invite feedback.
- 5.4 Local Strategic Partners remain acutely aware of the potential cumulative impact of funding pressures across public sector agencies on the city. The City Management Board, attended by all Local Strategic Partnership representatives, will therefore ensure that information is shared across the sector to assess and



mitigate adverse cumulative impacts wherever possible and develop joint actions where appropriate. Engagement with statutory partners will continue on an ongoing basis through the City Management Board and appropriate working groups to further share and understand the potential cumulative impact of budget proposals across the city as they take shape.

- 5.5 There are ongoing briefings and discussions with the Economic Partnership and a broader event for the business sector could be scheduled in January 2017 including the required formal consultation with business ratepayers, particularly concerning the impact of 2017 revaluation. The focus will be on potential funding sources and bids, city regeneration, economic growth, employment and apprenticeship strategies.
- 5.6 For staff, updates are being provided via the council's intranet and formal consultation with Staff and Unions will be undertaken as normal including Departmental Consultative Group (DCG) meetings in November and early December 2016 followed by appropriate consultation with directly affected staff.
- 5.7 Similarly, where appropriate or required by statute, specific consultation will be undertaken with residents and other people directly affected by proposed changes to service delivery.

### **Schools**

- 5.8 There is a statutory requirement on the local authority to consult with the Schools Forum on certain financial aspects of the schools budget including formula changes and the associated impact on budget distribution. The Schools Forum is a public meeting whose membership is made up of schools representation from across all phases and on which the Education Funding Agency has optional observer status.
- 5.9 Information is provided throughout the year to meetings of the Schools Forum concerning the development and/or changes to elements of the schools budget and the schools formula, now principally based on a national formula. There is a Schools Block Working sub-group that works with Education and Skills and Finance colleagues to ensure involvement and engagement of schools representatives in looking at considerations and options as proposals are developed.
- 5.10 Annual budget shares will be presented to the 16 January 2017 meeting of the Schools Forum for consultation and in recent years the council's Executive Director of Finance & Resources has also attended this meeting and presented a report on the potential direct or indirect impacts of the council's General Fund budget proposals on schools.

### **Housing Revenue Account**

- 5.11 As well as consulting residents through various Housing reviews and groups such as Service Improvement Group, Income Service Reviews and the Star Survey, HRA Budget consultation took place in November 2016, at the Citywide Conference. The conference focused on the HRA budget position 2016/17, feedback from consultation through the year, savings achieved over the last year,

challenges and proposed areas of saving for 2017/18 and sought views of the council's tenants and leaseholders. Feedback from this budget consultation is also being presented to Housing Area panels in November and December prior to the Housing Revenue Account Budget and Investment Programme 2017/18 and Medium Term Financial Strategy report being presented to the Housing New Homes Committee in January 2017.

## 6. CONCLUSION

- 6.1 The council is under a statutory duty to set its budget and council tax before 11 March each year. This report sets out the latest budget assumptions, process and timetable to meet the statutory duty. The plans cover a 4 year period, however only proposals for 2017/18 and associated council tax decisions require formal approval. Proposals for later years will be for noting but the principles of effective longer term planning require that subsequent withdrawal of any approved savings should be accompanied with alternative proposals in order to maintain the current position and avoid impacting further on financial resilience.

## 7. FINANCIAL & OTHER IMPLICATIONS:

### Financial Implications:

- 7.1 These are contained within the main body of the report.

*Finance Officer Consulted: James Hengeveld*

*Date: 29/11/16*

### Legal Implications:

- 7.2 Policy, Resources & Growth Committee has the necessary authority to make the recommendations set out in paragraph 2 of this report as part of its function of formulating budget proposals for subsequent consideration and adoption by Full Council.
- 7.3 Recommendation 2.4 reflects the council's duties to consult interested parties in relation to the draft savings proposals set out in the report.
- 7.4 Any decisions taken as part of the budget setting process are "resourcing" decisions and are subject to compliance with relevant legal requirements where appropriate before implementation.

*Lawyer Consulted: Abraham Ghebre-Ghiorghis*

*Date: 29/11/2016*

### Equalities Implications:

- 7.5 In Brighton & Hove City Council a budget Equality Impact Assessment (EIA) process has been used to identify the potential disproportionate impacts of proposals on groups/individuals covered by legislation (the 'protected characteristics' in the Equality Act 2010) and actions to mitigate these negative impacts or promote positive impacts. This is a key part of meeting the requirements of the Act and demonstrating that we are doing so. In law, the

potential impacts identified, and how far proposed actions mitigate them, must be given due regard by decision-makers at each stage of the budget-setting process.

- 7.6 All proposals with a potential equalities impact in 2017/18 have had an EIA completed (provided in Members' rooms and on-line), and this is cross-referenced within the savings proposals. Staffing EIAs will be completed alongside the formal consultation process on proposed staffing changes and feedback will be provided in the February report.
- 7.7 When the budget proposals are made public, these EIAs will also be circulated widely to stakeholders. Feedback will be used by officers to revise the first drafts of EIAs into final versions which will be available to members and scrutiny as they consider the budget proposals. They will also be published on the council website.

#### Sustainability Implications:

- 7.8 A carbon budget will be set for 2017/18 and included in the budget report to this committee in February 2017. This will show the level of spend on energy and the estimated carbon emissions across each carbon budget area and includes a planned 4% reduction.

#### Any Other Significant Implications:

#### Risk and Opportunity Management Implications:

- 7.9 The budget proposals normally provide recurrent and/or one-off risk provisions against the uncertainty of the local government finance settlement and the council's ongoing service pressures. The level of risk provisions will need to be reviewed for 2017/18 in the light of the Month 9 TBM budget monitoring position and available resources.
- 7.10 The budget report to February Policy, Resources & Growth Committee will include the Chief Finance Officer's formal assessment of the robustness of estimates in the budget and the adequacy of reserves.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Budget changes from 2016/17 to 2017/18
2. Budget Strategies and 4-Year Integrated Service & Financial Plans
3. Summary 10 year Capital Programme

### **Documents in Members' Rooms**

1. Budget Equality Impact Assessment Screening Documents (also available online)

### **Background Documents**

1. Budget files held within Finance
2. Consultation papers

2017/18 BUDGET - Budget changes from 2016/17 to 2017/18

Appendix 1

	2016/17 Adjusted Base £'000	Full Year Effect of 2016/17 Savings	Inflation Provision £'000	Service Pressures	Commitments and reinvestment £'000	Savings Measures £'000	2017/18 Draft Budget £'000	Change over adjusted base £'000	Change over adjusted base %
Families, Children & Learning	81,673	-	1,347	5,685	75	(5,710)	83,070	1,397	1.7
Health & Adult Social Care	50,053	-	1,050	3,650	-	(4,898)	49,855	(198)	(0.4)
Economy, Environment & Culture	32,709	-	217	382	-	(4,465)	28,843	(3,866)	(11.8)
Neighbourhoods, Communities & Housing	15,175	-	18	2,420	-	(2,661)	14,952	(223)	(1.5)
Finance & Resources	19,892	(13)	163	-	-	(2,093)	17,949	(1,943)	(9.8)
Strategy, Governance & Law	5,229	-	16	-	-	(574)	4,671	(558)	(10.7)
<b>Total Directorate Spending</b>	<b>204,731</b>	<b>(13)</b>	<b>2,811</b>	<b>12,137</b>	<b>75</b>	<b>(20,401)</b>	<b>199,340</b>	<b>(5,391)</b>	<b>(2.6)</b>
Concessionary Fares	10,933		218	-	333	(250)	11,234	301	2.8
Financing Costs	6,705			132	13	-	6,850	145	2.2
Corporate VFM Savings	-	(35)		-	-	(100)	(135)	(135)	
Contingency and Risk Provisions	3,731		80	-	(215)	-	3,596	(135)	(3.6)
Unringfenced grants income	(15,495)			2,100	(47)		(13,442)	2,053	(13.2)
Levies to External Bodies	170	-	4	-	-	-	174	4	2.4
Other Corporate Budgets	(872)		(46)	-	70	(95)	(943)	(71)	8.1
BUDGET GAP	-		-	-	-	(3,160)	(3,160)	(3,160)	
<b>NET REVENUE EXPENDITURE</b>	<b>209,903</b>	<b>(48)</b>	<b>3,067</b>	<b>14,369</b>	<b>229</b>	<b>(24,006)</b>	<b>203,514</b>	<b>(6,389)</b>	<b>(3.0)</b>
Contributions to/ from(-) reserves	(332)	48			284		-	332	(100.0)
<b>BUDGET REQUIREMENT</b>	<b>209,571</b>	<b>-</b>	<b>3,067</b>	<b>14,369</b>	<b>513</b>	<b>(24,006)</b>	<b>203,514</b>	<b>(6,057)</b>	<b>(2.9)</b>
<b>Funded by</b>									
Revenue Support Grant	33,126						21,618	(11,508)	(34.7)
Business Rates Local Share	53,932						53,890	(42)	(0.1)
Top Up Grant	1,656						1,676	20	1.2
Business Rates Collection Fund surplus/(deficit)	(1,089)						-	1,089	(100.0)
Council Tax Collection Fund surplus/(deficit)	1,964						-	(1,964)	(100.0)
Council Tax	119,982						126,330	6,348	5.3
<b>Total</b>	<b>209,571</b>					<b>-</b>	<b>203,514</b>	<b>(6,057)</b>	<b>(2.9)</b>

The Business Rates Local Share and Council Tax estimates for 2017/18 incorporate the tax base savings of £0.341m included within the ISFP's in appendix 2

The collection funds surplus/(deficits) will be incorporated into the budget once the Tax base reports are agreed by this committee in January



## Families, Children & Learning

### Budget Strategy 2017/18 to 2019/20

#### Services and Responsibilities

Families, Children and Learning brings together different services for children and young people from birth up to the age of 25, together with services for adults focused on skills & employment and learning disabilities. Much of the education and special educational needs provision is funded through the ring-fenced Dedicated Schools Grant (DSG). Although this budget strategy is focused on General Fund spend there are also parallel proposals in relation to the DSG as there is a significant pressure on the budget following the extension of support for young people with Special Educational Needs & Disabilities (SEND) up to the age of 25 and also parallel pressures on school budgets.

The main area of General Fund spend relates to the placement costs for children and young people in care and adults with learning disabilities (LD). The LD budget transferred across on 1 November 2016 in order to ensure improved pathways between children and adult services. It is a large net budget of just under £29m and includes a supported employment budget, part of which supports a team supporting adults with learning disabilities which work closely with colleagues in the Education & Skills branch. There are significant budget pressures on this budget and it is currently overspending in relation to placement costs within the Community Care budget arising from residents requiring more support. There is currently a procurement exercise taking place to reduce costs across some of the LD provision.

In relation to children, the number of children with child protection plans and being brought into care nationally continues to increase. Over the last 12 months however, the numbers in Brighton & Hove have been reducing. This has led to cost savings, but is at risk if there is a high profile safeguarding case either nationally or locally. In addition, both locally and nationally there has been an increase in the number of adolescents requiring intensive support, including high costs residential placements. In part this is related to the greater focus on meeting the needs of young people who are vulnerable to child sexual exploitation.

Our vision is for a directorate that is ambitious and works more closely with partners. We want all of the city's families and children to be happy, healthy and safe, fulfilling their potential. Over the last few years, services have been redesigned in order to improve efficiency and reduce costs and this will continue in future years with proposals to stop doing some things, redesign some services and reduce the demand for more intensive and expensive services. Inevitably, this requires difficult decisions in balancing untargeted, non-statutory support with preventative, statutory and safeguarding provision.

There are 3 key branches in the directorate together with a performance and safeguarding service that ensures that we meet our duties and provides quality assurance. The key branches are as follows:

#### Education and Skills £7.683m

This service area includes:

- Early Years and Family Support (including Children's Centres)
- School Organisation

- Education Standards and Achievement
- Skills, Employment and Youth
- Virtual School for children in care
- Music and Arts Study Support

### **Health SEN and Disability Services £34.319m**

This service area includes:

- Educational Psychology and Learning Support Services
- Special Educational Needs
- Social work and early help support for children with a disability
- Residential, short break and respite provision for children with a disability
- Assessment, social work, behaviour support and health services for adults with learning disabilities
- Council residential and day activities services for adults with learning disabilities
- Able & Willing Supported Employment Service

### **Safeguarding and Care £39.113m**

This service area includes:

- Fostering and Adoption Services
- Children in Need and Child Protection
- Children in Care and Leaving Care services
- Adolescence and Youth Offending Services
- MASH (Multi Agency Safeguarding Hub)
- Early Help Hub
- Early Parenting Assessment Programme & Looking Forward project
- Contact Service
- RuOK? – substance misuse service for adolescents
- Functional Family Therapy

### **Users of Family Children & Learning Services**

The directorate provides a range of different services from universal to those targeted at small groups of people with very high levels of need and/or where we are required to fulfil a statutory duty. Some of the key groups of users we interact with are as follows\*:

32,190	children attend city schools;
8,432	parents/carers applied for school places this year;
7,018	contacts were received by the Multi Agency Safeguarding Hub this year, of these 2,400 were safeguarding concerns that required follow up work;
6,156	children have been identified as having a special educational need or disability;
4,237	children are eligible for free school meals;
3,652	children with additional needs are supported by the Inclusion Support Service;
2,963	nights of respite accommodation were provided for disabled children;
2,600	children attended a council Children's Centre in the last quarter;
2,160	children are open to our social work service, of these, in November 2016, 387 are on a child protection plan and 449 have been brought into the care of the Council;
972	children have an Education Health & Care plan;



784 families have been identified locally through the national Troubled Families Programme;

742 adults with a learning disability are supported by the Council's community care budget (this includes 428 people who receive accommodation support);

730 young people had contact with the council's youth service in the last quarter;

559 children attend a council nursery;

398 children receive supported bus travel to school and a further 470 children receive free bus passes;

300 young people were supported by the Youth Employability Service;

288 Direct Payments were made to children and adults with a disability;

187 children are electively home educated;

140 homeless families were supported by the directorate;

143 adults with a learning disability attend day care support;

135 foster care families are supported by the directorate;

95 families who have an adopted child were supported and last year 40 children moved out of care into adoption. A further 42 children are supported through a special guardianship order.

\* Please note these figures are a mixture of snapshots in time or usage over a set period and are shared with the intention of being illustrative.

## **Strategy and Key Proposals**

### ***Getting basic services right and making the city an enjoyable place to live and work***

- Improving outcomes for the different client groups is the key driver for the directorate. Although there have been significant budget savings in previous years, the various service redesigns that have been implemented have helped to ensure that improvements are maintained. It is intended that future service redesigns will continue this trend.
- Work is taking place to develop a wider education partnership that might in the longer term take on some of the council's education responsibilities. Engagement regarding this is currently taking place with schools.

### ***Protecting provision for vulnerable people as the city's population grows and the cost of care rises***

As mentioned there are considerable pressures on social care and disability budgets as evidenced by in-year forecast overspending and projected demands and costs. The budget will provide substantial service pressure funding of £2.712m for children's social care and £2.973m for adult learning disability services which will be applied to meet new demands and growing costs.

Proposals for savings and efficiencies are as follows:

- The now established model of practice in social work and the adolescence service is contributing to a stepping down of children to less expensive placements and keeping them out of care. It is anticipated that these measures will result in significant savings on our current activity as set out in the 4 year budget strategy, although there are additional financial demands that are creating pressures on the budget as a consequence of increased care leaver costs, an increasing number of adolescents with very risky behaviours and increased numbers of unaccompanied asylum seeking young people. The budget will ensure social work caseload ratios are maintained in line with safe and good practice.
- The directorate is developing a proposal which it is hoped could lead to the development of in-house residential provision for adolescents in our care, potentially with a partner provider, therefore avoiding out of city costs. Such a proposal will be presented to the Corporate

Modernisation Board as an invest-to-save proposal to ensure due diligence. The business case is not yet finalised.

- The review of the fostering service last year is already leading to a reduction in the number of independent foster placements required. This is in the context of our increased 'Staying Put' duty to provide continued foster care for young people over the age of 18.
- The current provision of in-city residential and short breaks provision for disabled children is to be restructured to provide increased resources for long term full-time residential support thus preventing the need for agency out-of-city placements for children in care or needing residential provision. Increased use of direct payments will support families needing short breaks.
- Bringing together adult learning disability and children's disability services will provide an opportunity to rationalise management across both services. This follows management savings following the recent directorate restructure leading to a reduction in the number of Assistant Directors and the redesign in Children's Social Work services to pod teams and the deletion of Practice Manager posts.
- A redesign of our wider early help services is currently being developed which will include management efficiencies. This includes consideration of the provision that meets the Troubled Families agenda and the relationship with the Multi Agency Safeguarding Hub.
- Youth Service in-house and contracted provision will be fundamentally redesigned and will not be able to provide universal youth service provision. Other services for young people, including advocacy and services and support for those who are vulnerable to exploitation, involved in substance misuse, entering the criminal justice system or requiring emotional and mental health support will be prioritised for continuing support.

### ***Supporting economic growth and regeneration that benefits everyone***

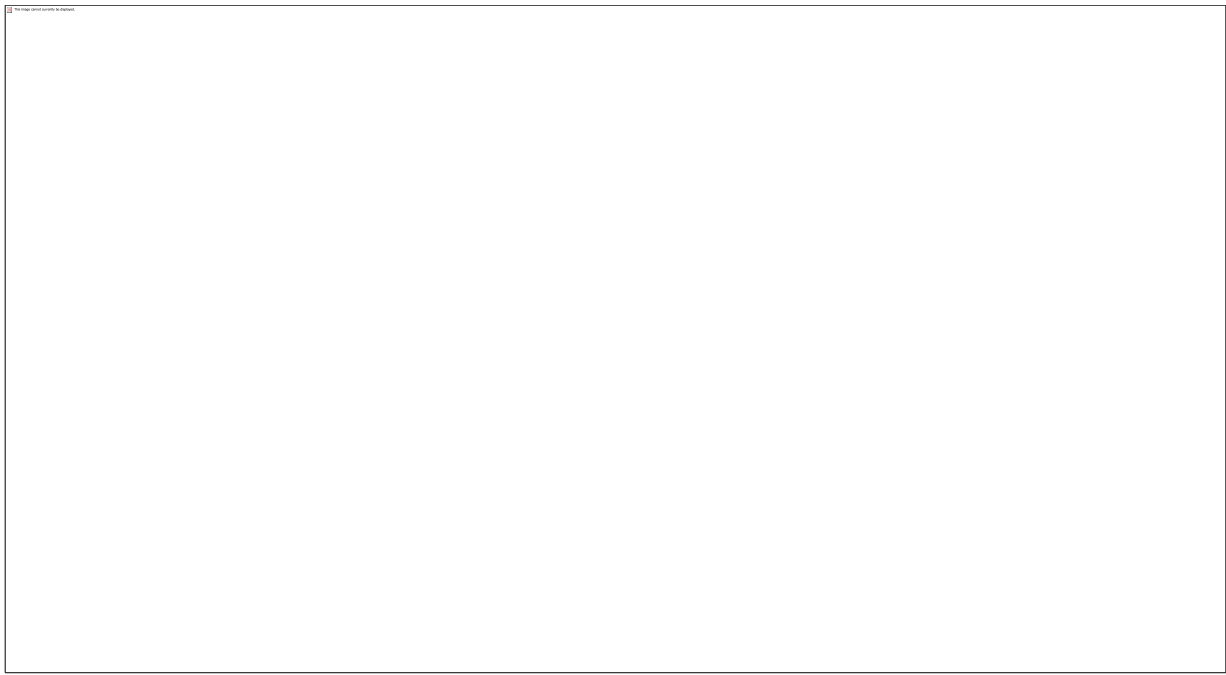
- The support for the city wide skills and employment plan is working closely with the wider city growth strategy. There will be a key focus on increasing the number of apprentices employed within the council and across the city as a whole.
- The Music and Arts Service is under-going a procurement process which aims to link it to wider cultural provision and greater opportunities to attract different sources of funding.

### **Key Service and Financial Risks**

The directorate provides targeted support and interventions. Our Ofsted inspection recognised that the council is running a safe system, protecting children from harm, however it should be noted that need is increasing nationally, including an increasing number of children entering the care system.

Risks are set out in the detailed schedules for each proposal but there are wider risks that can impact on the budget strategy such as high profile child safeguarding cases, changes in legislation or in court proceedings.

One key example of the financial risk that the council is facing is legislation going through the House of Lords currently to make it a statutory duty for us to work with all care leavers until they are 25. At present the statutory responsibility ends at 21 (or 25 if in education). Below is an estimate of the number of care leavers who will be eligible to receive a service when these changes come in.



Department				Savings Detail			
Department	Gross budget 2016/17	Net budget 2016/17	FTEs 2016/17	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
	£'000	£'000		£'000	£'000	£'000	£'000
Director of Families, Children & Learning	1,007	292	4.0	100	-	-	-
Health & Disability Services	39,055	34,319	378.1	4,008	1,731	1,383	300
Education & Skills	12,831	7,683	280.0	786	1,940	263	212
Children's Safeguarding & Care	39,380	37,679	356.4	2,971	2,039	2,247	1,768
Children's Safeguarding & Quality Assurance	1,496	1,434	25.2	-	-	-	70
<b>Total Families, Children &amp; Learning</b>	<b>93,769</b>	<b>81,407</b>	<b>1,043.7</b>	<b>7,865</b>	<b>5,710</b>	<b>3,893</b>	<b>2,350</b>

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FAMILIES, CHILDREN &amp; LEARNING</b>											
<b>DIRECTOR OF FAMILIES, CHILDREN &amp; LEARNING</b>											
Director of Children's Services	Salary and directorate support costs for the Director and support staff	264	264	4.0	Savings of £0.100m were achieved last year through a reduction in senior management.			100			
	Troubled Families	743	28	-	This is a largely grant funded programme The current programme is seeking to work with a total of 784 families who meet the central governments criteria for being 'troubled families'						
<b>Director of Families, Children &amp; Learning Total</b>		<b>1,007</b>	<b>292</b>	<b>4.0</b>				<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>

Service Area					Service & Financial Strategy			Savings Detail					
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20		
		£'000	£'000					£'000	£'000	£'000	£'000		
<b>FAMILIES, CHILDREN &amp; LEARNING</b>													
<b>HEALTH &amp; DISABILITY SERVICES</b>													
Services for children with disabilities	Residential, respite and short breaks.	2,130	2,102	56.9	The LA will continue to meet its full statutory duty towards children with SEN and disabilities and remains committed to working with parents, young people and all stakeholders, including the Community & Voluntary Sector (CVS), in partnership. In this area of high spend and increasing demand for services, reviews and consultations are looking to integrate, consolidate and improve services. The aim is to preserve and enhance where possible frontline services for children and families but also reduce spend through more efficient management, back office functions and use of infrastructure such as buildings. Reviews of the way services are organised are underway. Rationalisation of service delivery is proposed via the closer working with adult services and improved transition arrangements. Annually there are about 3,000 nights when children with disabilities stay at one of our provision and 123 families who receive a direct payment from the Council	Review of contracted services to ensure value for money and effective service delivery in the areas of information, advice and guidance and short break support. This saving represents just under 10% of the budget for contracted services across disability, parental advice and mental health services and is being found by re-tender of larger contracts, asking contractors to reduce administration costs and transfer of responsibilities for a counselling contract to the Clinical Commissioning Group (CCG). Current work done by the CVS to support applications by families for Disability Living Allowance will transfer to council services although the CVS will retain a role via funding secured from elsewhere.	Delivery Risk: Cost reduction opportunities will be impacted.  Impact on Outcomes: Careful and well-planned introduction will ensure minimal impact on outcomes.  See EIA 1.	-	86	100	40		
Services for children with disabilities	Social work	1,013	1,013	25.0				Reduction in management capacity across the Children's Disability Service and the Adults Learning Disability Service following re-structure to provide one integrated service. Bringing together adult and children's services provides an opportunity to rationalise management across both services and to streamline provision.	50	100	50	200	
Services for children with disabilities	Direct payments	348	248	-									
Services for children with disabilities	Family support services	87	87	-									
Services for children with disabilities										500	-	-	-

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FAMILIES, CHILDREN &amp; LEARNING</b>											
Agency disability	Residential, fostering, boarding school and respite placements	1,313	1,313	-	Provision of high quality, value for money provision through contracted services with external providers supported by the children's services framework contract arrangements and preferred provider guidelines.	The current provision of in-City residential and short breaks provision to be re-structured to provide increased resource for long term full-time residential support thus preventing the need for agency out of City placements for children in care or needing residential provision. Increased use of direct payments will support families needing short breaks.	Delivery Risk: Reliance on positive impact of the new practice model changes and anticipated downward trend on agency placements.  Impact on Outcomes: Impact on children and families will be mitigated by a considered restructure of residential provision and a rebalancing of budgets and to increase funding for Direct Payments. Greater provision of full time residential education and care will help keep families together.  See EIA 2.	290	510	150	60
Special educational needs	Special Educational Needs	281	281	18.4	No change proposed. As of November 2016 there are a total of 6156 children identified as having a special education need of some sort with 972 who have an Education, Health & Care Plan (previously a SEN Statement)			40			
Learning Support Service	Integrated Inclusion Service. Including Educational Psychology Service and Child & Adolescent Mental Health Services (CAMHS)	567	435	28.1	This is a new service that has been developed from what were previously separate services. The main funding comes from the Dedicated Schools Grant. This is also a small trading element at present and it is intended that this function is developed further over the next year and that additional income is then achieved from 2018/19.	The proposal is to develop a greater traded function which schools believe offers them value for money. As this is a new service this cannot be done immediately.	Delivery Risk: School budgets are under considerable pressure despite minimum funding guarantees.  Impact on Outcomes: If additional income is achieved there should be no specific impacts.	225		200	

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FAMILIES, CHILDREN &amp; LEARNING</b>											
Community Care (Adults) including: Community Support Day Care Direct Payments Home Care Shared Lives Supported Accommodation Residential Care Nursing Care	Learning Disabilities  905 Whole Time Equivalents (WTEs) budgeted for in 2016/17	24,150	21,374	-	High cost services compared with benchmarked authorities which impacts on value for money. Cultural change is required to deliver a more personalised approach, building on community resources. Closer working with Housing colleagues will be necessary here.	Review high cost clients receiving multiple services who have not been reviewed in the previous two years. Taking a more holistic approach to the commissioning of care homes.	Delivery Risk: Limited availability of suitable accommodation in the City, high unit cost and continued increase in the numbers of clients with eligible need. These demands equate to additional costs of £3.223m for 17/18. Savings can only be achieved by accessing local accommodation.  Impact on Outcomes: Concentrating on key statutory duties and those clients who present the highest risk to themselves and to the Community, ensuring needs are met in the most cost effective manner.	2,004	650	650	-
Assessment & Support and Intervention Team (Adults)	Learning Disabilities Assessment Teams (including Management, Assessment and Admin)	997	900	24.5	Improvement of digital offer and ability to self assess and reduce demand. Develop customer portal and use of technology to improve efficiency.	Supported self assessment and signposting of customers by effective use of the on-line portal to divert traffic. Also, implementation of micro-commissioning and brokerage model. Includes increased use of brokerage and externalisation of reviews for lower needs cases. Opportunities for integration with health and children's services will be within scope of the redesign.	Delivery Risk: Ability to develop an integrated approach with partner organisations to deliver services. The availability of effective ICT systems and infrastructure are key to the achievement of savings. Significant increase in demand relating to Deprivation of liberty Safeguards (DOLS) and associated costs, resulting in pressure on the budget.	100	31	-	-
Learning Disabilities - Community Support (Adults)	Community Support Service  75 WTEs budgeted for in 2016/17	233	196	6.1	High cost compared to benchmarked authorities and to other client groups. Strategy is to re-model and streamline the service to improve value for money.	Re-modelled service focusing support for complex, high need individuals in their own homes through short term services.	Delivery Risk: Delays in implementation.  Impact on Outcomes: Assessed needs will continue to be met in line with statutory duties.  See EIA 3.	30	30	-	-
Learning Disabilities - Day Services (Adults)	Learning Disabilities Day Options  35 WTEs budgeted for in 2016/17	735	714	31.5	Part of the Learning Disability Strategy - includes increased Personal Budgets, and re-providing support.	'Move-on' of clients using community resources, and personal budgets focusing on those with most complex needs.	Delivery Risk: Delays in implementation that could reduce savings.	580		100	-

Service Area					Service & Financial Strategy			Savings Detail			
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		£'000	£'000					£'000	£'000	£'000	£'000
<b>FAMILIES, CHILDREN &amp; LEARNING</b>											
Learning Disabilities - Employment Support (Adults)	Employment Support Services including Able & Willing	863	390	30.8	A non-statutory service, and there is a need to focus on supporting more people into work.	Focus services so that they enable people to develop skills, and the service is able to support more disabled people into work, rather than the Council directly providing long term employment.	Delivery Risk: None - restructure already in place.  Impact on Outcomes: This saving has already been achieved.	-	50	-	-
Learning Disabilities - Residential (Adults)	Registered Residential Service (4 Homes) Ex-Health Homes Maintenance  19 WTEs budgeted for in 2016/17	2,497	2,171	60.5	High cost and most local authorities do not provide services in-house. Part of Learning Disabilities strategy is to reprovide services. Maintenance budget will be considered as part of the service re-provision.	Following consultation to implement outcomes/model to deliver the savings required	Delivery Risk: Delays in implementation and potential risk of staff transfer costs.  Impact on Outcomes: Not anticipating any impact on outcomes for service users.  See EIA 4.	70	-	-	-
Learning Disabilities - Residential (Adults)	Respite Services	822	766	19.7	Part of Learning Disabilities strategy which will focus the service on complex, short term, hospital avoidance/step down cases and provide a service of last resort.	Re-focus of service to complex, short term services. Opportunities for use of provision being considered as part of the LD/SEND review.		-	-	-	-
Learning Disabilities - Shared Lives (Adults)	Shared Lives Service	47	47	2.7	Good value for money compared to residential care or Voluntary Sector/delivers savings to Community Care budget.	Scope to support 'move on' and release savings in other areas. Continue to monitor Value for Money (VfM).		-	-	-	-
Learning Disabilities - Supported Accommodation (Adults)	Registered Supported Living (8 Services)  42 WTEs budgeted for in 2016/17	2,703	2,013	69.9	High cost and most local authorities do not provide services in-house. Alongside supporting some people to move on to more personalised services.	Following consultation to implement outcomes/model to deliver the savings required	Delivery Risk: Delays in implementation that could reduce achievable cost reductions. Without re-provision, value for money concerns will persist. Potential risk of staff transfer costs.  Impact on Outcomes: Not anticipating any impact on outcomes for service users.  See EIA 5.	94	223	-	-
Other	Learning Disabilities Operational Provider Management (Including Denmark Villas Management)	269	269	4.0	Existing management structure required to support the current reprocurement of Learning Disability accommodation services.	This saving was originally identified in 2018/19 but has been brought forward. The wider redesign of services for both children and adults should lead to overall efficiencies, including management savings.	Delivery Risk: Delays in integration would impact on the saving identified here.  Impact on Outcomes: Not anticipating any impact on outcomes for service users.	25	51	133	-
<b>Health &amp; Disability Services Total</b>		<b>39,055</b>	<b>34,319</b>	<b>378.1</b>				<b>4,008</b>	<b>1,731</b>	<b>1,383</b>	<b>300</b>



Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FAMILIES, CHILDREN &amp; LEARNING</b>											
<b>EDUCATION &amp; SKILLS</b>											
Home to school transport	Transport between home and school for children who live beyond the statutory walking distance. The appropriate school is the nearest maintained school to the child's home that is suitable to their age, educational needs and has a place available	2,046	2,046	7.1	Underlying pressure on this budget requires further work on independent travel, and rigorous implementation of policy. Planned work on reducing spend on supported buses is also underway. As of November 2016 there are 398 children and young people who receive direct transport support and a further 470 young people who receive bus passes. In addition this budget contributes to the wider supported bus transport subsidy	Significant savings have been achieved in previous years and overall cost compares well with other Councils. No further proposals are included here although a review is planned which might lead to future saving proposals		-	-		
Schools PFI	PFI budget for 3 schools	2,407	-	-	No change proposed. Tied to long term PFI contract.	No change					
Access to education	Access to education team including council functions and process regarding school attendance and exclusion, missing education, employment licences, EOTAS (elective home educ and medical needs).	218	175	5.7	Continued support to improve attendance and reduce exclusions will lead to a reduction in support costs in the medium term. As of November 2016 there were 32,190 children attending Brighton & Hove schools.	Reduction in support costs in the medium term.	Delivery Risk: Service redesign needs to be effective to avoid pressures on the service in later years.  Impact on Outcomes: Not anticipating any impact on outcomes for service users.		61	50	39
Standards & Achievement	Core school intervention team, commissioned school partnership advisers (this funding previously was part of the Education Services Grant - please see below)	467	467	7.5	Greater efficiency to improve value for money.	To deliver service differently.	Delivery Risk: Low risk.  Impact on Outcomes: Customer satisfaction will be monitored closely.	15	34	33	33

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FAMILIES, CHILDREN &amp; LEARNING</b>											
Education Services Grant (ESG)	This was previously a direct grant from the DfE, although not ring-fenced. The DfE have set out interim arrangements for next year as there has been a delay in introducing a new funding formula for schools. Without the agreement from School's Forum to agree for the £0.478m to be returned to the council the wider Standards & Achievement budget above would have been largely unfunded				The ESG is being reduced from £2.895m to £1.007m in 2017/18, with the remainder being cut in 2018/19. As a result of this reduction, all expenditure has been reviewed to identify any possible savings. Funding previously allocated to the Local Authority through the ESG for retained duties for all pupils, has been transferred to the schools block of the DSG in 2017/18. The transfer from the ESG into the DSG is £0.478m. There was an extraordinary meeting of the Schools Forum on the 1 November which obtained approval for this £0.478m to be met from DSG. This gives a £0.478m saving to the General Fund.	No change	Impact on Outcomes: No impact anticipated.		478		
Governor Support	This service provides challenge and support to governors to fulfil our statutory role as a LA. It also provides a high quality traded service which has a high percentage buy back from schools.	61	50	3.5	This service provides challenge and support to governors to full fill our statutory role as a LA. It also provides a high quality traded service which has a high percentage buy back from schools.	Savings through efficiencies and increasing trading of the service.	Delivery Risk: Low risk.		10		

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FAMILIES, CHILDREN &amp; LEARNING</b>											
School Organisation & Admissions	This includes our staff and support to deliver on our statutory school organisation and admissions role and management and leadership of school meals, home to school transport and all other statutory school organisation functions.	109	109	2.0	No further changes proposed given current pressures on this area of service and potential changes to school admission arrangements						
Adult and Community Learning	Provides short informal courses and advice for adults who are not currently in work	360	8	6.0	Significant savings have been achieved in previous years			3			
Music & Arts Study Support	Provision of music and arts opportunities	1,074	7	29.6	Remove remaining council subsidy. The service is leading on the development of a cultural hub for the city and is aiming to remodel with partners over the next year.	New delivery model should be in place	Delivery Risk: Change of venue of activities could impact on numbers of CYP attending activities.  Impact on Outcomes: Improved Partnership working with increased opportunity for income generation.  See EIA 6.	10	7		
Other Services/Management	The Virtual School.	37	37	-	Greater efficiency to improve value for money. More effective use of pupil premium.	To deliver service differently to reduce costs.	Delivery Risk: Low risk. Impact on Outcomes: No impact anticipated.		20		
Other Services/Management	The catering contract	18	18	-	Cease this internal contract to address value for money concerns.	Cease contract/subsidy for the Kings House service.	Delivery Risk: Low risk.  Impact on Outcomes: No impact anticipated.	54	10		
Other Services/Management	Standing Advisory Council on Religious Education (SACRE)	-	-	-	Improve efficiency in the delivery of this statutory service.	Small reduction in associated cost of provision.	Delivery Risk: Low risk.  Impact on Outcomes: Continues to deliver strategy requirements.	6			
Other Services/Management	Education and Traded services support	129	129	4.0	No further changes are proposed. This is the budget for the Assistant Director, the officer responsible for traded services (which is fully funded by the service level agreements) and administrative support			10			

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FAMILIES, CHILDREN &amp; LEARNING</b>											
Youth Service	Integrated support service for children aged 13-19	1,052	1,004	28.8	The council's statutory duty extends only to ensuring there is a suitable offer to young people. In addition, this budget is responsible for the statutory advocacy team. There is evidence of the impact of youth work, advice and support on corporate priorities, especially participation and transition from school to employment and participation.	The Youth Review last year recognised a reduced investment requirement for in-house provision of targeted youth work and youth engagement, and central support/coordination and changes were made. It is proposed now that the council no longer provides or funds a universal youth service. The management post has been deleted (below) and there will need to be further consultation on the remainder of the youth service and consideration of commissioning provision with a particular focus on groups with protected characteristics.	Delivery Risk: The Local Authority needs to ensure there is sufficient coordination of the youth agenda going forward.  Impact on Outcomes: There will no longer be universal youth provision. Discussions will be required with existing youth providers across the city.  See EIA7.	399	750		
Youth Service	Management				Review of management structure	Deletion of Head of service post. There will be a further review of management arrangements given the proposal above	See EIA 7.		50		
Youth Service	Play Service	-	-	-	Plan staff consultation re ceasing service. Ongoing revenue funding ceased last year.	Exploration of alternative funding options has been unsuccessful	Delivery Risk: Reduction in universal play service support for children - service is valued by families that receive it.	1			
Youth Service	Youth Employability Service	457	423	11.0	Efficiencies have been achieved in previous years but outcomes continue to be strong. No further budget reductions are proposed. As of November 2016 the service works with 300 young people of whom 149 are not in education employment or training.						
Early Years - Children's Centres	City-wide service integrated with health visiting which aims to improve outcomes for children under 5. Seven designated Children's Centres and delivery points across the city.	1,553	1,553	46.0	The service was reviewed in 2015/16 and funding reduced from April 2016. The Fairness Commission recommended that the Council should prioritise support for Children's Centres. As of November 2016 there are 2,600 children attending Children's Centres and in addition 140 children receiving targeted interventions and a further 100-150 adults volunteering or receiving support to help them back into employment	Income from midwifery for clinics. Running cost savings. Alternative funding for finance support from 2018/19.	Delivery Risk: Low risk.  Impact on Outcomes: Minimal impact.  See EIA 8.	156	40	60	

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FAMILIES, CHILDREN &amp; LEARNING</b>											
Early Years - Children's Centres	City-wide service integrated with health visiting which aims to improve outcomes for children under 5. Seven designated Children's Centres and delivery points across the city.				Two year olds from low income families are entitled to free part time childcare funded by the Dedicated Schools Grant. Promoting volunteering.	Review of universal groups run in children's centres and play and learn groups in libraries. Reducing funding for the Brighton Unemployed Centre Crèche. Reduction in administration.	Delivery Risk: Not all children attending the crèche will be eligible for free childcare and some attend other settings.  Impact on Outcomes: Risk that the Brighton Unemployed Centre Crèche may close.  See EIA 8.		40		
Early Years Nurseries	Subsidy for the Council run nurseries (Acorn, Bright Start, Cherry Tree, Jump Start, Roundabout and Sun Valley) and Tamerland Nursery School. The nurseries provide free childcare places for 2, 3 and 4 year olds and childcare that parents pay for.	1,353	326	87.7	Statutory duties to secure sufficient free early education for 4, 3 and low income 2 year olds. Statutory duty to secure sufficient childcare for working parents. The Government is introducing a tax-free childcare scheme from April 2017 worth up to £2,000 per child each year, and £4,000 for disabled children and extending the entitlement to free childcare from 15 to 30 hours for 3 and 4 year olds with working parents from September 2017. There are 539 children attending council run nurseries	A staffing restructure has recently been completed to achieve the savings agreed for 2016-17 and achieve future savings. However because of pay protection the full savings will not be achieved until 2019-20. An increase in fees that parents pay for children under three to £5.15 an hour is currently being explored further.	Delivery Risk: Medium risk - the fee increase may reduce occupancy in the nurseries. Risk that Government funding for 30 hours is less than the fees paid by parents so this will reduce income for the nurseries.  Impact on Outcomes: Minimal impact.	60		20	40
Early Years - Childcare	Support for childminders, out of school childcare, childcare workforce training, inclusion funding for children under 2 and management and administration of free entitlement for 3/4 year olds	527	368	8.8	Statutory duties to secure advice and support for childcare providers and sufficient childcare provision. To encourage childcare providers to increase the number of apprentices and access apprenticeship funding for qualifications. To use a self-service database to administer training.	To no longer provide funding for childcare qualification bursaries. Reduced administration for organising training following the introduction of a self-service database.	Delivery Risk: Medium risk - depends of future Government policy and the level of funding for childcare qualifications.  Impact on Outcomes: Minimal impact.  See EIA 9.	41	50	20	20

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FAMILIES, CHILDREN &amp; LEARNING</b>											
Integrated Team for Families and Parenting Service	The ITF & Parenting Service work with families who have multiple complex needs that generally fall just below the social work threshold, including Family Coaching, specific interventions and group work programmes. These contribute to the Stronger Families Stronger Communities (SFSC) targets. The Parenting Service delivers evidence based group and 1-1 parenting interventions. Also funded from Troubled Families Budget (£0.530m)	811	811	30.3	To review the service to only offer those interventions which are most effective. Also to look at opportunities to align the work of this team more closely with other early help provision.	To restructure the staffing of the service and reduce running costs. This is part of a wider piece of work looking at early help services	Delivery Risk: High. There is currently a high demand for the service with waiting times of between 4-6 weeks. Increased waiting times or rejecting referrals could result in increased pressure on social work teams i.e. families referred to MASH as situation escalates and social workers not being able to step down to Early Help.  Impact on Outcomes: High impact is possible - likely to increase pressure on social work.  See EIA 10.	31	80	80	80
Early Help	This is not a discrete budget but seeks to consider efficiencies across a range of budgets in this area including Stronger Families, Stronger Communities, the Integrated Team for Families and Parenting Service and the Early Help Hub				To be achieved through a re-design of early help activity across Families, Children & Learning to include the Early Help Hub, Parenting, Family coaching and the repercussions of the ending of the Troubled Families programme by 2020. Currently available resources by this date will reduce by two thirds.	Services will focus on those children at risk of escalating need to meet social work thresholds by delivering family support through community provision as part of the neighbourhood strategy based in children's centres.	Delivery Risk: A reduction of this magnitude is high risk to the demand strategy, coupled with other political, social and economic factors which affect this cohort such as welfare reform reducing benefits and cuts in partner agencies provision. We are collaborating with other agencies to maximise effective resource allocation.  Impact on Outcomes: Might lead to a reduction in support for families with less urgent needs but who still meet the criteria for the governments Troubled Families programme  See EIA 10.		300		

Service Area					Service & Financial Strategy			Savings Detail			
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		£'000	£'000					£'000	£'000	£'000	£'000
<b>FAMILIES, CHILDREN &amp; LEARNING</b>											
Skills & Employment	Skills & Employment Team	152	152	2.0	Greater efficiency to improve value for money.	To deliver service differently to reduce costs.	Delivery Risk: Low risk. Impact on Outcomes: No impact anticipated.		10		
<b>Education &amp; Skills Total</b>		<b>12,831</b>	<b>7,683</b>	<b>280.0</b>				<b>786</b>	<b>1,940</b>	<b>263</b>	<b>212</b>
<b>CHILDREN'S SAFEGUARDING &amp; CARE</b>											
Fostering & Adoption	Payments to in-house carers for fostered and adopted children.	6,842	6,842	-	Project to reduce the ratio of in house to independent provider provision is effective and is on track to achieve this year's savings. service redesigned to enable capacity for more carer support and monitoring.	Maintain budget as investment in this area is better value for money than foster agency placements.	Impact on Outcomes: No impact anticipated.				
Fostering & Adoption	Staffing teams assessing and supporting foster carers and potential adopters. Allowances paid to Adopters	4,111	3,910	66.2		Service redesign aimed at reducing any overlapping areas between Adoption and Fostering.	Delivery Risk: Redesigned service may not assess sufficient new carers and adopters. Higher cost foster agency placements would then persist.	28			
Fostering & Adoption						Review of adoption services in light of proposed national changes.			167	160	
Fostering & Adoption						Associated reduction in Resource Officer staffing.		40			Impact on Outcomes: More 'in-house' carers and new adopters should provide better stability and outcomes for children and young people.
Social Work & Legal	Social work staffing teams.	8,983	8,983	190.1	The new model of practice being implemented across the children's social work service will enable the relationship between the social worker and the family as the main vehicle to facilitate change and promotes the importance of reflective practice and good quality supervision. Developing this new model involved taking out a layer of management to ensure increased resources to work more directly with children and families. In November 2016 there were a total of 2160 clients open to social work including 387 children with a child protection plan and 449 children in care.	The Social Work Service re-design which has recently been completed is based on a Relationship Model. The service design was based on the demand on the service up to March 2015 and costed within the budget. Cost reductions reflect anticipated impacts of preventive and relationship models on medium term demand. In addition it is anticipated that the number of children requiring a social work intervention will reduce which in turn will lead to a reduction in the number of children coming into care who then require a placement with a foster carer or in residential provision.	Delivery Risk: Continuing high demand and referral rates will put at risk social work staffing efficiencies. Impact on Outcomes: Improved practice model should prevent children needing care and contribute to improved outcomes for young people.	50	75	80	354
Social Work & Legal	Expenditure incurred under section 17 & 18 of the 1989 Children Act, including housing for homeless families.	898	898	-	No change in investment planned.		Impact on Outcomes: No impact anticipated.				

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FAMILIES, CHILDREN &amp; LEARNING</b>											
Social Work & Legal	Legal costs relating to assessment and court fees.	1,202	1,202	-	No changes proposed as courts are making increasing demand on care applications		Impact on Outcomes: No impact anticipated.	19			
Contact Service	Family contact for children in care (CiC) and children in need (CIN)	924	924	22.3	Redesign of the service which provides co-ordinating, supporting and supervising court ordered parental and family contact with children in care and children in need.	Core staffing will be retained but a review of delivery of contact service to reduce costs of sessional workers and their transportation costs will be undertaken.	Delivery Risk: Low risk. Impact on Outcomes: No impact anticipated.	150	106	150	
Care Leavers	Services for 18-24 year olds leaving care, including staying put and ex-asylum seekers.	1,488	1,265	-	Continued support for young people leaving care including joint commissioning arrangements with the Housing Directorate and partnership working with voluntary sector providers.	No change. Key strand of the adolescent strategy which it is anticipated will contribute to a reduction in the number of agency placements required	Impact on Outcomes: No impact anticipated.				
Agency Placements	Residential, fostering and secure placements for looked after children provided by external agencies	11,274	10,434	7.0	Provision of high quality, value for money provision through contracted services with external providers supported by the children's services framework contract arrangements and preferred provider guidelines.	The now established model of practice in social work, and adolescence service is contributing to a stepping down of children to less expensive placements and keeping them out of care.	Delivery Risk: This is a high cost service where the failure of effective prevention and demand management will not only impact on the achievement of cost reduction but is likely to be of corporate financial significance to the council's challenging medium term financial position. The proposals set out here assume that other pressures on this budget will be met across the overall budget.  Impact on Outcomes: Improved practice model should prevent children needing care and contribute to improved outcomes for young people. Demand management has implications for managing risk effectively to meet safeguarding requirements and statutory duties.	2,439	1,511	1,777	1,414
Agency Placements								100	-		



Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FAMILIES, CHILDREN &amp; LEARNING</b>											
Youth Offending Services	Support and supervision to young people involved in the Criminal Justice System and preventative work for children and young people at risk of becoming involved in offending.	1,384	1,015	25.3	Redesign of services to align with the adolescent strategy.	Redesign of service provides an opportunity to review staffing resources as demands are expected to reduce over time.	Delivery Risk: If the adolescent service does not succeed, offending activity may remain higher and require continued high cost support.  Impact on Outcomes: Minimal impact as cost reduction should mirror reducing demand (offending) linked to the adolescent strategy.	30	30	30	
Family Support Services	Family group conferences and intensive intervention initiatives	200	200	-	Maintaining investment in this preventive service area which is critical for effective demand management. Family Group Conferencing is being used increasingly across the country to identify alternative means to meet the needs of families who are facing difficulties and so avoid the need for a child to be brought into care	No change.	Impact on Outcomes: No impact anticipated.				
Other	Management & admin costs	599	599	9.4	High prevalence in the city requires continued investment in this service area to ensure effective demand management.	No change. A restructure last year led to a significant reduction in managements posts across the service overall.	Impact on Outcomes: No impact anticipated.				
Early Help	Early Help, Parenting and family support services	766	766	25.5	Delivery of Early Help Strategy including identification of vulnerable families, coordination of interventions and delivery of local troubled families and parenting programmes. Service redesign responding to extended Troubled Families Programme, BPI recommendations and changes to early help and preventive services.	To redesign the work of the Early Help Hub to take account of business improvement proposals. This proposal links to the wider review of early help services.	Delivery Risk: Ineffective service design and delays in implementing / developing a new ICT system could impact on achievability of saving.  Impact on Outcomes: Reduced funding will impact on capacity to manage systems, data recording and analysis. This will be mitigated by the introduction of a new ICT system funded through external grant.  See EIA 10.	115	100		
Specialist Assessment	Clermont Family Assessment Centre	470	470	8.8	No changes proposed		Delivery Risk: Low risk.			50	
Specialist Assessment	Therapeutic Services	68	-	-	This is funded externally						

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FAMILIES, CHILDREN &amp; LEARNING</b>											
Specialist Support	Living Without Violence	171	171	1.8	Due to the low numbers of men completing the programme, in 2015-16 this was 8 and in the first half of 2016-17 it has been 4, it is proposed that alternative methods of delivering and commissioning both group and 1:1 perpetrator programmes are developed for 2017-18.	Transition arrangements to be put in place to enable the completion of the current groups. The existing contribution to the specialist domestic abuse services to enable a partner support function would need to be maintained during the transition. A project plan should be developed with partners to consider a delivery programme, with a combination of 1:1 interventions and a group programme. The project plan could seek to develop a more flexible version of the LWV programme, for example using fatherhood as the key factor in creating and sustaining change or addressing substance misuse issues.	Delivery Risk: The risk in delivering these savings is the loss of an accredited programme for addressing violent and abusive behaviour and that this could lead to reduced opportunities to hold perpetrator's accountable and promote behaviour change. This may led to increased incidences of domestic violence and abuse and, therefore, to an increased risk of children experiencing significant harm, including increased likelihood of repeat contact with Children's Services.  There is also a potential reputational impact on the city given the profile of domestic violence and abuse, as well as the focus on holding perpetrators to account.  Impact on Outcomes: The proposals for alternative models of delivery could lead to improved outcomes for families and help to support safe and stable family lives.  See EIA 11.		50		
<b>Children's Safeguarding &amp; Care Total</b>		<b>39,380</b>	<b>37,679</b>	<b>356.4</b>				<b>2,971</b>	<b>2,039</b>	<b>2,247</b>	<b>1,768</b>
<b>CHILDREN'S SAFEGUARDING &amp; QUALITY ASSURANCE</b>											
Children's Safeguarding & Quality Assurance	Specific child protection services, the Local Safeguarding Children's Board (LSCB) and independent reviewing officers.	1,496	1,434	25.2	LSCB management and admin is a statutory multi-agency funded safeguarding function. Child protection services and independent Reviewing Officers are statutory services with high caseloads and increasing demands.	Reducing and managing demand under the new practice model should enable a modest reduction of staffing resource over the medium term.	Delivery Risk: Continuing high demand and referral rates would put at risk this potential staffing efficiency.  Impact on Outcomes: No impact expected. Statutory requirement.				70
<b>Children's Safeguarding &amp; Quality Assurance Total</b>		<b>1,496</b>	<b>1,434</b>	<b>25.2</b>				<b>-</b>	<b>-</b>	<b>-</b>	<b>70</b>
<b>Families, Children &amp; Learning Total</b>		<b>93,769</b>	<b>81,407</b>	<b>1,043.7</b>				<b>7,865</b>	<b>5,710</b>	<b>3,893</b>	<b>2,350</b>

## Health and Adult Social Care Directorate

### Budget Strategy 2017/18 to 2019/20

#### Services and Responsibilities

The directorate is responsible for discharging the council's statutory responsibilities in relation to the provision of Adult Social Care to meet eligible need, legal duties to keep people safe from harm, safeguarding people whose liberty may be deprived and delivering our Public Health duties and functions. The Directorate provides a range of support to adults within the city and their carers. These include residential/nursing care, support packages for those with complex needs and universal, preventative support aimed at keeping people well and independent for longer. In 2015/16, Adult Social Care managed the following activity:

- 5,779 new requests for social care support;
- 1,527 of these new requests resulted in provision of long term funded care services. Others received short term support e.g. reablement or end of life care, signposting to community services or ongoing low level support e.g. issuing equipment;
- 1,993 carers supported;
- 1,504 Deprivation of Liberty Safeguards applications (these numbers continue to increase; 1006 applications received in the first 6 months of 2016/17);
- 868 Safeguarding enquiries were carried out.

During this period we provided long term funded care services for 3,831 adults. This support was provided in the following ways:

- 2,117 adults received domiciliary care in the community;
- 1,064 adults received residential or nursing support (401 nursing care placements and 663 residential care placements);
- 404 adults were in receipt of care services funded via a Direct Payment;
- 246 adults received day care support.

The Direction of Travel agreed by the Health & Wellbeing Board is being followed with a focus on prevention, providing effective information/advice, signposting and making best use of family/community assets. Adult social care must retain a qualified and registered workforce that enables the council to ensure that people who are eligible and in need of social care funded services continue to be supported effectively, and that this is delivered in a way that best meets their needs. Trend data is beginning to demonstrate that this strategy is taking effect, with a lower proportion of people needing a funded service; however it is important to acknowledge that the overall demand in terms of people's social care needs continues to increase.

We are seeing a rising cohort of older people more of whom are living longer than previous generations. The number of residents aged over 65 is projected to increase by a further 16% between 2016 and 2026, including an increase of 21% in those aged 90 and above. These demographic changes will lead to higher levels of vulnerability and inequality across the population, illustrated by worse than average outcomes for many indicators related to mental health, substance misuse and sexual health resulting in rising demand for health and social care services. Adult social care has a statutory duty to protect vulnerable adults and therefore need to safeguard our services in response to these demographic changes, allowing us to continue supporting those in need. Health and Adult Social Care must focus on working collaboratively with health colleagues to strengthen local communities, promoting prevention and health improvement, early intervention, support and advice with an overarching view of reducing demand on health and care services.

To realise this vision we must retain and develop a skilled and qualified workforce to work alongside health colleagues and communities in order to lead on these developments, and focus our resources on protecting those who are most vulnerable.

The Public Health ring-fenced budget comes from the NHS and is ring-fenced for 2017/18. The Director of Public Health and CEO are required to sign off, on an annual basis, the budget as legitimate Public Health spend against nationally agreed criteria in terms of the services the budget has been spent on, some of which are mandated.

## Strategy and Key Proposals

### ***Protecting provision for vulnerable people as the city's population grows and the cost of care rises***

- Service Pressure funding – substantial funding of £6.873m will be applied to meet new demands and growing costs including the Adult Social Care precept of £2.425m.
- Assessment Services budget provision includes the Community Care budget to purchase social care services to meet eligible needs provided in the independent sector.
- The budget also includes provision for social work and care management staff, the staffing budget will be largely protected to enable us to continue to meet our statutory duties in relation to safeguarding vulnerable adults, delivery of our duties under the Mental Capacity Act, Mental Health Act, Deprivation of Liberty safeguards and ensure effective assessment of eligible need under the Care Act. Staff savings targets for 2017/18 are largely based on increased vacancy control procedures across the Directorate and also by the redesign of Adult Social Care Occupational Therapy Services (details below).
- Savings against the community care budget will be delivered by controlling unit costs and reducing demand through the provision of effective prevention, information/ advice, signposting, increasing use of technological solutions to support self-assessment.  
Scrutiny of all funded provision will continue through Resource Allocation panels.
- Further savings are planned through targeting reviews of high cost packages of care and placements. Our ability to manage these targeted reviews will be enhanced by the implementation of a revised Reviewing Framework, currently being developed as part of the Adult Social Care Service Redesign Programme.
- Mental Health services in the city are provided through integrated arrangements with the Mental Health Trust covering all adults with a functional mental illness and memory and cognition issues. Social Work staff seconded to the Trust discharge our statutory duties under the Mental Health Act to protect those at risk to themselves and/or others. Duties to Safeguard and Deprivation of Liberty safeguards continue to make significant demands on staff in this area of service. No staffing savings are therefore proposed as we need to ensure that we can continue to meet these key statutory duties.
- Increased demand, particularly as a result of the rise in numbers of people with a diagnosis of dementia will be contained by better use of Assistive Technology, increased use of Personal Budgets and Direct Payments, block contracting of residential/nursing home beds, access to supported housing and targeted review of high cost packages and placements. The development of Brooke Mead will provide an extra care facility for people with dementia, providing an alternative resource to residential care for those with lower needs.
- A full review of our in house care provision for mental health service users will be undertaken to ensure these continue to safely meet the needs of this complex client group. We will work with the CCG to review these services and ensure the service specifications and funding reflect the increased complexity, and subsequent staffing levels that are required to maintain safe delivery of care.

- Savings will be delivered on contracts for Self-Directed support and the cessation of the Community Meals contract (already delivered). The redevelopment of the Carers Hub will generate efficiencies through an integrated commissioning approach and we will continue to review non statutory in house provided services to create further efficiencies.
- Cuts to the Public Health budget will be met primarily through its commissioned services, reduced programme spend and public health staffing.
- Budget cuts have been made across a range of public health prevention and health improvement services. These include contracts for school nursing and health visiting services which have been combined and redesigned to produce savings through re-procurement. Savings from HIV prevention and social care support services have also been achieved through re-procurement. In Public Health the value of the recently commissioned Community Substance Misuse contract has been reduced in return for a longer delivery term.
- We are developing close working relationships with the CCG with a view to establishing an Integrated Commissioning Unit, where it is hoped that this will enhance our ability to develop effective care services that remain responsive to the demographic changes of the City. We will work together to develop quality services that can respond to the increasing demand and complexity. By developing services together and combining the resources and expertise of our commissioning teams, this will provide us with an opportunity to deliver additional efficiency savings.
- Proposed savings also include a reduction in management spend to reflect the shrinking in house resource.
- Savings will be achieved through further reductions in house provision mainly through continuation of the agreed programme. Led by the CCG and working in collaboration, we are undertaking a review of Community Short Term Services to develop a new model of provision. This will be an opportunity to strengthen these services, focussing on prevention and reablement and ultimately improve the outcomes for people requiring these services.
- Adult social care will work closely with colleagues in health services by aligning our assessment staff with GP clusters. This will facilitate earlier intervention and improve our ability to better explore family and community assets with the aim of reducing demand on publicly funded services.
- An enhanced model for the delivery of Adult Social Care Occupational Therapy services will lead to greater efficiencies in terms of service delivery and cost.

### ***Getting basic services right – helping to make the city an enjoyable place to live and work***

- The use of Personal Budgets and Direct Payments will continue as a mechanism to put people in control of their own care, as there is evidence that this produces better outcomes at reduced cost.
- Investment in Assistive Technology will be provided as an alternative to expensive people based services and ensure people's care is properly funded by rigour in ensuring Continuing Health Care (CHC) is properly assessed and applied.

### **Key Service and Financial Risks**

Risks are set out in the detailed schedules for each proposal but there are wider risks that can impact on the budget strategy such as complex safeguarding cases, changes in legislation or court proceedings (where we are already managing an increasing number of cases referred to the Court of Protection in relation to Deprivation of Liberty Safeguards).

The home care market remains fragile and the cost of living in the City can impede our ability to attract home care staff and personal assistants. The Care Act requires us to maintain an effective and sustainable care market and therefore we need to ensure providers are supported to deliver a

safe and effective service in line with service specification and CQC requirements. We continue to see care home providers exiting the market which leads to increased care fees and significant disruption for the staff and residents directly affected.

Some of the savings identified are reliant upon our ability to work in greater collaboration with health partners, and the pace that this can be delivered. We will continue to engage fully with the Brighton & Hove Caring Together programme and further development of the STP; however the development of an integrated care model for health and social care is likely to take a considerable length of time to develop, given the complexities and demands of each organisation.

Our ability to work preventatively with people and promote early engagement will only be effective if we have sufficient staffing in place to deliver this. Insufficient staffing will leave us only able to focus on those most at risk, and unable to prioritise the early intervention work that is necessary to reduce demand in the longer term.

The development of suitable housing and supported accommodation models are required in the City that will offer a realistic alternative to residential care. Many properties in the City are unsuitable for adaptations and we need develop local solutions that will enable more people to step out of residential care, and prevent or delay admissions.

Department				Savings Detail			
Department	Gross budget 2016/17	Net budget 2016/17	FTEs 2016/17	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
	£'000	£'000		£'000	£'000	£'000	£'000
Adult Social Care	51,414	28,889	552.7	2,851	2,285	1,725	766
S75 SPFT	19,741	11,609	51.5	246	293	340	255
Integrated Commissioning	10,003	8,625	33.9	159	172	85	70
Public Health	22,235	882	50.0	1,096	2,148	836	479
<b>Total Health &amp; Adult Social Care</b>	<b>103,393</b>	<b>50,005</b>	<b>688.1</b>	<b>4,352</b>	<b>4,898</b>	<b>2,986</b>	<b>1,570</b>

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>HEALTH &amp; ADULT SOCIAL CARE</b>											
<b>ADULT SOCIAL CARE</b>											
Community Care including: Community Support Day Care Direct Payments Home Care Shared Lives Supported Accommodation Residential Care Nursing Care	Physical Support & Sensory Support  2,070 Whole Time Equivalents (WTEs) budgeted for in 2016/17	29,412	15,656	-	Model of increased personalisation to reduce reliance on public funded services alongside delivery of the Better Care programme and learning from pilots. A small number of people require specialised services and there may be potential implications of the Care Act on demand and responsibilities.	Lower cost (i.e. reduced funding requirement) for new placements and through targeted reviews of current placements, making use of community assets to reduce reliance on high cost services.	Delivery Risk: Primary risk is that eligible need continues to grow which would impact on achievement of the full saving. Development of preventative strategies will help to generate long term benefits; risk of not achieving full target savings within the period. Acceptability of reducing local service levels to those comparable elsewhere also presents risks. Market maturity and availability may impact on costs. Strengthening the market in terms of sustainable cost may impact upon success of savings being fully realised.  Impact on Outcomes: Concentrating on key statutory duties and those clients who present the highest risk to themselves and to the Community.  See EIA 12.	1,425	1,425	1,425	466

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>HEALTH &amp; ADULT SOCIAL CARE</b>											
Assessment & Support and Intervention Team (SIT)	Head of Adults Assessment Community Short Term Services Social Work Team Information Signposting Triage Financial Assessments and Care Matching Team Community Rapid Response Team Hospital Discharge Service Acute Planned Response Service Hospital Assessment and Reablement Carers Development Team Assessment and Reablement Independent Living Carelink	8,690	6,252	224.2	Improvement of digital offer and ability to self assess and reduce demand. Develop customer portal and use of technology to improve efficiency.	Supported self assessment and signposting of customers by effective use of the on-line portal to divert traffic. Implement technological solutions to financial assessments and externalise welfare rights functions. Requires a more corporate approach to financial assessments. Also, implementation of micro-commissioning and brokerage model. Implement recommendations of Assessment review and integrated teams design (Better Care programme). Includes increased use of brokerage and externalisation of reviews for lower needs cases. Opportunities for integration with health will be within scope of the redesign.	Delivery Risk: Ability to develop an integrated approach with partner organisations to deliver services. The availability of effective ICT systems and infrastructure are key to the achievement of savings. Significant increase in demand relating to Deprivation of liberty Safeguards (DOLS) and associated costs, resulting in pressure on the budget of £0.787m.  Impact on Outcomes: The aim is to increase personalisation and put people in control which should result in more positive outcomes.  See EIA 13.	576	189	300	300
	Community Equipment Service	1,293	559	-	Effective demand management will be required to manage within existing resources. This is funded through the Better Care Fund and will be part of the CCG review of funding.	Effective demand management will be required to manage within existing resources.	Delivery Risk: Demands and/or costs may grow beyond resources.	-	-	-	-
Hostel Accommodation	Hostel Accommodation 107 beds budgeted for in 2016/17	2,409	1,143	48.8	Significant savings were taken from this budget in 2016/17. There is an ongoing review of hostel accommodation within the City which will be completed in 2017. As a result of this no savings have been identified at this stage.			280	-	-	-
Memory & Cognition Support - Day Services	Wayfield Avenue Day Services 23 WTEs budgeted for in 2016/17	302	166	9.9	Service provides value for money and reduces the need for residential care services.		See EIA 14.	100	-	-	-
Memory & Cognition Support - Residential	Ireland Lodge Residential Wayfield Ave Residential 47 WTEs budgeted for in 2016/17	2,451	971	72.5	Provision to be retained as no suitable alternative is available. The Clinical Commissioning Group provide funding for both of these services.	No immediate proposals. Currently working with Commissioners on future service models.	Delivery Risk: Support from the CCG is integral to the successful review and continuous delivery of these services.  See EIA 14.	-	121	-	-



Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>HEALTH &amp; ADULT SOCIAL CARE</b>											
Physical Support - Day Services	Tower House Day Services	-	-	-				150	-	-	-
Physical Support - Home Care	Community Short Term Services & Independence at Home (Including Night Home Care Service, Early Supported Stroke Discharge and Apportionment of Assessment Duties)  83 WTEs budgeted for in 2016/17	3,415	2,919	101.1	High cost but necessary service meeting statutory need. Provision to be retained as no suitable alternative provision is likely to be available.	Cost of service has been reduced and provides increased value for money.	Delivery Risk: Low risk.  Impact on Outcomes: No impact expected.	300	380	-	-
Physical Support - Home Care	New Larchwood  21 WTEs budgeted for in 2016/17	427	386	13.1	This service was recently retendered	Work with provider to identify efficiencies through the contract arrangements.	Delivery Risk: Efficiencies are unable to be identified.  Impact on Outcomes: No impact expected.	20	20	-	-
Physical Support - Residential	Craven Vale Residential Knoll House Residential  51 WTEs budgeted for in 2016/17	2,766	588	79.7	Joint commissioned services with the CCG, these are currently out for retendering and process remains ongoing. CCG is leading on this.			-	-	-	-
Other	Adults Provider Management	249	249	3.4	Strategy will be to reduce management capacity as overall in-house service reduces.	Dependent upon securing alternative independent sector provision as outlined in plans above.	Delivery Risk: Management costs would become an increasingly large overhead impacting on value for money of whole service.  Impact on Outcomes: No impact expected.	-	150	-	-
<b>Adult Social Care Total</b>		<b>51,414</b>	<b>28,889</b>	<b>552.7</b>				<b>2,851</b>	<b>2,285</b>	<b>1,725</b>	<b>766</b>

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>HEALTH &amp; ADULT SOCIAL CARE</b>											
<b>S75 SPFT</b>											
Community Care including: Community Support Day Care Direct Payments Home Care Shared Lives Supported Accommodation Residential Care Nursing Care	Memory & Cognition Support  457 WTEs budgeted for in 2016/17	10,615	4,345	-	Improving value for money by learning the lessons of effective models elsewhere that can maintain people at home longer and further reduce reliance on more traditional statutory services. Improving control of the care home market and provide increased community solutions.	Lower cost (i.e. reduced funding requirement) for new placements and through targeted reviews of current placements, making use of community assets to reduce reliance on high cost services.	Delivery Risk: Primary risk is that eligible need continues to grow which would impact on achievement of full saving. Managing the demand for and cost of provision is key. Availability and affordability of residential and nursing home care in the City is remains a risk. This demand equates to additional costs of £0.070m.  Impact on Outcomes: Increase provision of block contract beds within the City. New provision of Extra Care Housing in the City for clients with dementia will provide an alternative to residential care for some.  See EIA 12.	47	94	141	188
	Mental Health Support  423 WTEs budgeted for in 2016/17	6,144	4,424	-	Model of increased personalisation to reduce reliance on public funded services. Improving value for money by learning the lessons of effective models elsewhere that can maintain people at home longer and further reduce reliance on more traditional statutory services. Increased use of supported accommodation will reduce the reliance on residential and nursing care.	Lower cost (i.e. reduced funding requirement) for new placements and through targeted reviews of current placements, making use of community assets to reduce reliance on high cost services. Involves continued review of cost of placements, reductions in waiver use, and reviews of S117 placements to reduce costs and/or increase client contributions.	Delivery Risk: Managing demand and costs of provision is key to achieving reducing funding requirements. Re-admission to hospital and not meeting complex needs in an appropriate manner could result if the model is not implemented effectively. This continued increase in demand equates to additional costs to this budget of £0.314m.  See EIA 12.	199	199	199	67

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>HEALTH &amp; ADULT SOCIAL CARE</b>											
Assessment & Support and Intervention Team (SIT)	Section 75 Staffing teams Including: Mental Health Homeless Team Assessment Treatment Service Living Well with Dementia Service Adult Mental Health Practitioners (AMHP) Crisis Resolution Home Treatment Team (CRHTT) Mental Health Management	2,982	2,840	51.5	No further reductions to front line staff are planned as this would affect the ability to deliver the statutory duties and savings identified above.						
<b>S75 SPFT Total</b>		<b>19,741</b>	<b>11,609</b>	<b>51.5</b>				<b>246</b>	<b>293</b>	<b>340</b>	<b>255</b>
<b>INTEGRATED COMMISSIONING</b>											
Commissioning & Contracts	Support to Carers	788	679	-	Review service contracts with CCG/children's services / public health to ensure improved service delivery.	Reprocurement of the Carers Hub.	Delivery Risk: Low risk.	-	-	35	-
Commissioning & Contracts	Adults Commissioning & Performance Team Executive Director Adult Services Safeguarding Team	2,142	1,407	32.1	Further discussions with CCG/ BHCC re integrated commissioning. It is anticipated that joint commissioning will deliver efficiencies moving forward. The commissioning function is supporting the delivery of savings across Health and Adult Social Care, as such no savings have been identified for 17/18.	Integrated commissioning and contract management with CCG/ BHCC		30	-	-	70

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>HEALTH &amp; ADULT SOCIAL CARE</b>											
Commissioning & Contracts	Integrated Commissioning including: Care Act Somerset House Day Services Hop50+ (previously St Johns Day Services) Mental Health Preventive Contracts Independent Mental Health Advocacy Sensory Preventive Contracts Age UK (CRISIS service) Older People Localities Home Care Provider Support	1,592	1,071	1.8	The development of future commissioning strategies remains ongoing with intended completion for 2018/19.	Impact of joint commissioning and contract management will generate efficiencies moving forward. Savings identified in 2017/18 relate to the current commissioning of the community transport service. This is non statutory service.	Delivery Risk: Successful recommissioning of the service within the timescales.  Impact on Outcomes: No impact expected.  See EIA 15.	41	80	50	-
Commissioning & Contracts	Self Directed Support	219	219	-	Retendering of the contract is due and efficiencies identified as part of the reprocurement process.	Public Health & Adult Social Care (ASC) fund a coordination contract for preventive services across the city. Self Directed Support is also funded by ASC & Children's Services. Both contracts end March 17. The strategy is to review the contracts respectively with Public Health, Children's Services & East Sussex to achieve better value for money.	Delivery Risk: Delays in procurement process.  Impact on Outcomes: The Care Act/ Better Care programme puts a greater emphasis on prevention which revised contracts must be able to support.  See EIA 16	20	19	-	-
Commissioning & Contracts	Community Meals	73	73	-	The number of people using the service is in decline and costs increasing.	Cessation of current contract. Implemented alternative options.	Delivery Risk: Low risk.  Impact on Outcomes: No impact expected.  See EIA 17.	34	73	-	-
Commissioning & Contracts	Learning Disability Development Fund	82	82	-	There is a need for good engagement as a result of special educational needs and Learning Disability strategy.	Improved commissioning process relating to specific outcomes is currently taking place.	Impact on Outcomes: New model should ensure that outcomes to service users and carers are maintained.	34	-	-	-
Housing Related Support	Housing Related Support & Homelessness Prevention Contracts	5,107	5,094	-	Considerable savings have been taken out of this budget and services have been recommissioned, ensuring value for money within the current service provision. These recommissioned services are supporting the delivery of the rough sleepers strategy.			-	-	-	-
<b>Integrated Commissioning Total</b>		<b>10,003</b>	<b>8,625</b>	<b>33.9</b>				<b>159</b>	<b>172</b>	<b>85</b>	<b>70</b>

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>HEALTH &amp; ADULT SOCIAL CARE</b>											
<b>PUBLIC HEALTH</b>											
Public Health	Ring-fenced Public Health Grant	-	(21,140)	n/a	Known reductions in Ring-fenced grant allocations will be dealt with via service pressure funding						
Substance Misuse	Substance Misuse services including inpatient detox beds, residential rehabilitation and community based services	5,877	5,783	2.5	Recently undertaken procurement exercise and new Community Substance Misuse contract began 1st April 2015. Further negotiations took place during the first year with the lead provider to reduce the contract value in return for a longer term. Residential rehab service budget reduced by £0.138m from 2016/17.	Community Substance Misuse Service budget reduced by a further £0.600m.	Delivery Risk: Could impact substantially on KPI achievement. Performance may decline.  Impact on Outcomes: Possible reduction in the overall number of service users successfully completing treatment.  See EIA 18.	488	600	60	20
Sexual Health	Commissioning of sexually transmitted infection (STI) prevention and treatment, contraception, HIV prevention and advice services.	4,763	4,763	1.0	A service re-design was undertaken in 2014 and a new 3-year contract for integrated sexual health services (ISHS) began in April 2015. Current contractual obligations for the ISHS end March 2018. Further savings will be achieved from this budget in 2018/19 through negotiation or re-procurement	HIV prevention and social care support services have been reprocured during 16/17, reducing the budget by £0.102m. Second staged withdrawal of funding for the LGBT Switchboard of £0.010m.	Delivery Risk: There is uncertainty on the future of the NHSE commissioned level 2 sexual health service at Brighton Station Health Centre beyond April 2017. If the service closes this will place significant additional demand and cost pressure on the integrated sexual health service, estimated at £0.400m pa. In addition there is a risk related to the current service provider's ability to adapt to a reduced budget.  Impact on Outcomes: Potential limit to scale and scope of the HIV prevention work delivered, however difficult to assess the impact in year. Reduced funding of Integrated Sexual Health Service may lead to a reduction in the overall number of patients treated if alternative approaches cannot meet needs.  See EIA 19.	115	112	600	129

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>HEALTH &amp; ADULT SOCIAL CARE</b>											
Healthy Child Programme (0-19) - Public Health Community Nursing	Commissioning of health visiting and school nursing services including the National Child Measurement Programme and breastfeeding peer support and delivery of the Healthy Schools Programme.	6,257	6,257	4.0	The contract for the Healthy Child Programme 0-5 (Health Visiting and Family Nurse Partnership) successfully transferred from NHS England to the Public Health Directorate on 1st October 2015. The Health and Wellbeing Board agreed to an extension of this contract (and the school nursing contract) to 31st March 2017. It is planned to have one Public Health contract for 0-19 which is currently being reprocured and will deliver saving targets	The combined contract will be redesigned to produce savings of around £0.800m in 2017/2018, bringing the total savings for 2018-19 to £1m.	Delivery Risk: Insufficient funds to deliver mandated reviews and national service specification for School Nursing Service.  Impact on Outcomes: The healthy child programme is being reprocured with the intention of maintaining the recent improvement of the current service. However due to the overall reduction in funding there is a risk of a reduction in performance. Limited impact resulting from other cuts because of remodelling of services.  See EIA 20.	220	798	53	50
Health Improvement	Commissioning and Delivery of Healthy Weight Programme, the NHS Health Check Programme, Smoking Cessation & Tobacco Control, Public Health Advice and Intelligence, and a range of general prevention and health promotion services.	5,338	5,219	42.5	Where possible, services will be reprocured to maintain service delivery at a lower cost. Additional savings will be made by reducing programme spend and public health staffing levels.	The weight management contract has been extended to 2018 with a reduction in contract value of £0.050m. Continued funding of the Healthy Neighbourhood Fund and ending of the Community Health Fund with savings of £0.050m. The cost of delivery of the NHS Health Checks programme will be reduced by £0.030m. A 10% budget reduction will be levied on Older People's Activities contracts saving £0.032m; the Oral Health Promotion contract will be reprocured at a lower price saving £0.026m. Some vacant posts are not being recruited to with key responsibilities picked up by other team members.	Delivery Risk: Possible reduction in take up of the NHS health check programme. Reduced scope to deliver new projects/initiatives across public health programmes.  Impact on Outcomes: The reprocurement of service will aim to minimise the overall negative impact on outcomes. Risk of reduction in take up of services by people in more disadvantaged groups	273	238	123	280

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>HEALTH &amp; ADULT SOCIAL CARE</b>											
General Public Health	Commissioning and delivery of the health improvement programme.				Review of PH contracts with an extension year to March 2018 enabled completion to be brought forward for three contracts. Departmental controls have been put on all spending from 2016 onwards with reduced programme budgets going forward.	Ending CAB advice service delivered in 5 GP practices (£0.030m). Bringing forward the ending of the Community Youth Champions (£0.025m) and Make a Change contracts (£0.023m). Additional departmental savings and bringing forward programme management and public health department expenditure savings from 18/19 and 19/20 (£0.322m).	Impact on Outcomes: Clients using the CAB services will still be able to access citywide services. Schools may choose to fund additional physical activity sessions. Promoting physical activity will be included in the reprocurement of the weight management service which is due to begin in April 2018. Reducing the Public Health budget limits the opportunity for new Public Health initiatives in the future.	-	400	-	-
<b>Public Health Total</b>		<b>22,235</b>	<b>882</b>	<b>50.0</b>				<b>1,096</b>	<b>2,148</b>	<b>836</b>	<b>479</b>
<b>Health &amp; Adult Social Care Total</b>		<b>103,393</b>	<b>50,005</b>	<b>688.1</b>				<b>4,352</b>	<b>4,898</b>	<b>2,986</b>	<b>1,570</b>

## Economy, Environment & Culture Directorate

### Budget Strategy 2017/18 to 2019/20

#### Services and Responsibilities

The Economy, Environment & Culture directorate provides services that aim to maintain an attractive, sustainable and well run city for residents, business and visitors. The directorate includes the following services:

- **City Development & Regeneration** – Leading the council’s devolution work with Greater Brighton and city partners to develop a strong and prosperous economy. Delivering major regeneration and projects, Planning and Building Control services, and developing new affordable homes through joint ventures, housing companies, and the New Homes for Neighbourhoods Programme.
- **City Transport** - The division maintains, manages and improves the city’s transport network & highways infrastructure, including the delivery of major infrastructure projects working closely with Department for Transport and Coast to Capital Local Enterprise Partnership. Traffic Management and Parking Services effectively regulate traffic movement and demand for parking spaces delivering reductions in congestion and improvements in air quality. Management of surface water flooding, sea defences and coastal structures
- **City Environment** – Delivering a modern commercial approach to waste and street cleaning services with a focus on income generating opportunities , rethinking the management of parks and opens spaces, sport and leisure facilities, outdoor events and seafront management, including delivery of the Stanmer Park Masterplan.
- **Property Services** – Leading the council’s property strategy, commissioning and delivery of corporate and commercial property services with an emphasis upon an investment strategy that delivers new revenue streams from our assets and keeping the council’s operational assets safe and fit for purpose. The council’s property and land portfolio includes operational assets such as council offices, town halls, heritage, schools and leisure centre assets and commercial properties and agricultural farmlands.
- **Cultural Services** - Leading the future of the city’s unique arts, cultural and tourism offer and expanding this for a wider city region. The Royal Pavilion and Museums (RPM) comprises five sites open to the public and eight other historical sites/ monuments. Museums give distinctiveness to a place and its communities. The RPM is a nationally significant service within the sector and leads the South East Museum Development Services supporting 300 museums in for the Arts Council. It is also responsible for the City Council’s Service Level Agreement (SLA) with East Sussex County Council for archives.

#### Strategy and Key Proposals

Over the past year, services in the Economy, Environment & Culture directorate have delivered £3.9m (11.1% of net budget) savings. The Integrated Service & Financial Plan proposals for 2017/18 to 2019/20 set out savings proposals of £7.89m (25.3% of net budget), of which the majority £4.47m (14.3% of net budget) are within 2017/18. These will be achieved through a mixture of commercial approaches to generating income, establishing alternative delivery models, service redesigns and transformations, changes to commissioning, and other proposals.

The budget strategy focuses upon improving the efficiency of services to maintain the city's infrastructure and environment, whilst working increasingly with partners, communities and businesses to find alternative ways to share environmental responsibilities, whilst also seeking to



operate more commercially to generate new income streams, reduce costs, and become financially more self-sufficient through growth and increased civic participation.

The directorate provides strong civic leadership to enable investment and economic growth and city infrastructure which is clear about the benefits to local people, working with Coast to Capital LEP and Greater Brighton city region and South East 7 (SE7) partners to attract external investment, increase economic resilience, improve transport connectivity and local access to jobs, apprenticeships and housing.

Long term capital investment to renew and strengthen the infrastructure of the city will continue, along with the delivery of major regeneration projects, bringing about quality development to address the need for better business space, providing new affordable housing whilst generating income from land and property assets and increasing business rate and council tax returns

The directorate also plays an important role in supporting the arts, culture and heritage sectors of the city. The jobs in the cultural, creative and tourism sectors collectively make up nearly a third of the city's employment and the council owns much of the city's essential heritage and cultural infrastructure.

Our property services will continue the Corporate Landlord approach to make best use of the council's operational and commercial portfolios through redevelopment and regeneration opportunities. It continues to evolve the commercial portfolio through a rebalancing strategy and provide an increasing return on rental streams in the long term and support the council's modernisation programme enabling service re-designs and ensuring capital receipts are maximised in support of the council's capital investment programme and Medium Term Financial Strategy.

Key savings proposals for the directorate include a mixture of redesigning services, establishing alternative service delivery models, and adopting a commercial approach as follows:

***Getting basic services right and making the city an enjoyable place to live and work***

- Diversifying our commercial approach to generating new income streams across the directorate, including setting fees and charges appropriately to reflect the actual cost and manage demand of those services, expanding garden and commercial waste collection; looking for new ways of generating income from our parks and open space, extending pre-application charging for the planning service, increased income from commercial events. These initiatives will deliver a net saving of £1.45m in 2017/18.
- Introduction of alternative delivery models for parks and open spaces, the roll out of wheel bins to increase recycling levels, and establishing joint venture/company models to deliver new housing. This includes developing options for future delivery of property services through Orbis in partnership with East Sussex and Surrey County Councils.
- Delivery of efficiency savings through Modernisation proposals including service redesign of the City Transport Services to better respond to customers.
- Modernising and streamlining the Planning Service to deliver efficiency savings through digitalisation and business process review. The maintenance of a resilient Planning Service is a crucial factor in the delivery of economic growth and the wider regeneration programmes for the City.
- A city wide review of the supported bus network including procurement of this service in 2017 following consultation with local bus operators to deliver proposals for communities and schools as well as reducing the local authority subsidy by £0.290m.
- A £7m 'Spend to Save' investment in street lighting infrastructure to achieve long term savings of £0.406m in maintenance and electricity costs, improve lighting control and monitoring, reduce carbon and contribute to night time security.
- Service redesign proposals and Digital First service redevelopments across the service will deliver £1.1m savings in 2017/18, focused upon (customer) channel shift to improve efficiency

and customer ease of use and access moving towards an improved customer service centre model reducing duplication, to deliver cashless parking, pay by phone, on-line highways licensing, and fully on-line parking permits systems.

### ***Supporting economic growth and regeneration that benefits everyone***

- Delivery of major regeneration and investment programmes to drive economic growth and build the business rate base. Continued delivery of the City and City Region's multi-billion pound investment programmes to deliver new housing, employment space and jobs, including delivery of the Seafront Investment Programme, completing the renovation of Shelter Hall, progressing the Brighton Waterfront Proposals, Madeira Terraces, King Alfred, and Preston Barracks developments.
- Moving the Royal Pavilion and Museum service to Trust status, creating one large-scale cultural trust for the city. This would be better placed to generate income and fund-raise, to create a sustainable future for the Royal Pavilion Estate (buildings and garden) , including developing programming and participation opportunities across the whole site, whilst also maximising the impact that museums and their collections can have in changing lives and supporting the realisation of city' council and city partnership priorities.
- Making the most of our assets to generate new long term revenue through a revised asset investment strategy, and increased income from the council's commercial urban portfolio including the Seafront Property Portfolio through rent reviews and lease renewals together with the letting of the new seafront arches.
- Continuing the Workstyles flexible working and civic buildings rationalisation programme and improving access to neighbourhood services.

### ***Protecting provision for vulnerable people as the city's population grows and the cost of care rises***

- Continuing the development of 500 new affordable council homes through the New Homes for Neighbourhoods programme;
- Establishing a joint venture to develop 1,000 new homes for lower costs rental and sale for lower income working households in the city;
- The delivery of new forms of supported housing to support the management of demand within health and social care services, through the completion of the Brooke Mead extra care housing scheme.

### **Key Service and Financial Risks**

Formal consultation with staff will be required for those affected by service redesigns alongside clear project plans to deliver agreed savings. All new income streams will be reported to the appropriate Committee for approval. However, moving to a more commercial basis for some areas means operating differently and being able to flex and change services quickly in order to maximise income opportunity or change services that are not generating the expected demand.

Project plans to deliver the savings proposals will be monitored by the directorate management team to ensure they remain achievable or that alternative savings are identified where necessary.

The development of the cultural trust is a significant project that contains a wide range of complex technical elements including capital investment, digital service development, employment law, contractual negotiations, health & safety considerations and complex financial business cases and operating models, all of which will need appropriate advice and support in order to ensure viability and best value.

Maintaining service levels for existing supported bus routes relies upon commercial operators continuing to deliver those routes on a commercial basis or there being adequate capacity on alternative commercial bus services.

A deteriorating transport infrastructure without adequate investment and maintenance will lead to an increased failure rate resulting in an increase in traffic closures, congestion and insurance claims with a negative economic impact on the council, local businesses and tourism. Failure in Seafront infrastructure can impact upon the ability of Seafront properties to be open for business. This can negatively impact upon income from commercial rents and incur compensation costs.

### **Links to other strategies**

The Economy, Environment & Culture directorate budget proposals have a direct impact upon the delivery of the budget strategies for other directorates and those of wider city partners. The delivery of new forms of affordable and supported housing within the regeneration unit is key to the management of demand across health and social care services and to the recruitment and retention of key workers to the city.

Having an attractive, sustainable and well run city plays a key role in delivering a prosperous economy and helping residents into employment which in turn can manage demand upon services. Developing new approaches to the management of parks and open spaces promotes health and well-being which can reduce demand upon health and social care services.

Making best use of our assets through a rebalancing strategy to provide an increasing return on rental streams plays a critical role in supporting the council's modernisation programme enabling service re-designs and ensuring capital receipts are maximised.

The budget strategy is firmly rooted in the modernisation programmes led in this directorate many aspects of which are dependent on the council's Digital First programme, transformation of the council's IT and communications infrastructure, and the council's disposal programme and achievement of capital receipts in support of the capital investment programme.

Department				Savings Detail			
Department	Gross budget 2016/17	Net budget 2016/17	FTEs 2016/17	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
	£'000	£'000		£'000	£'000	£'000	£'000
	Transport	23,456	(6,938)	155.7	980	1,083	455
City Environmental Management	32,425	27,721	492.8	1,330	1,025	741	261
City Development & Regeneration	4,888	2,607	101.9	226	384	275	192
Culture	13,762	4,148	191.9	572	335	121	81
Property	16,198	3,689	121.4	789	1,638	409	402
<b>Total Economy, Environment &amp; Culture</b>	<b>90,729</b>	<b>31,227</b>	<b>1,063.7</b>	<b>3,897</b>	<b>4,465</b>	<b>2,001</b>	<b>1,427</b>

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
		<b>ECONOMY, ENVIRONMENT &amp; CULTURE</b>									
<b>TRANSPORT</b>											
Head of Transport and Policy	Head of Transport and Policy	215	216	6.8	Non statutory but important to retain provision as the service provides essential resource to support Local Transport Plan and other capital projects, including research, public engagement, data monitoring and analysis.	Implement Service Redesign proposals confirmed December 2016 which took into account Management Spans and Accountability principles for designing the structure. Includes one off vacancy management savings of £0.070m whilst redesign recruitment underway.	Delivery Risk: Reduction in resources may impact on income collection and supporting capital schemes.  Impact on Outcomes: Effective redesign should ensure that most aspects of the service are deliverable to an acceptable quality.	240	150	(70)	
Highways	Highways Inspection and Licensing	741	391	19.2	This is a contractual obligation and a statutory duty. If the authority can demonstrate that it has a maintenance regime, which includes routine inspections and repairs, then it has taken reasonable care. Under the Section 58 defence it is recognised that the authority is carrying out the right functions to look after the condition of the highway correctly. Our inspection & maintenance regime mitigates against circa £5 million insurance claims to the council.	Closer integration with Streetworks permits to streamline processes and improve efficiency, introduce new ICT system in November 2016 to enable customers to licence objects via mobile phone, PC or other device, making the process easier and faster, reducing paper based procedures and office based staff time; savings included in service redesign above.	Delivery Risk: Reduction in resources may impact on income collection and supporting capital schemes.				
Highways	Lighting and Illuminations	2,739	2,739	4.0	Seafront festoon lighting & amenity lighting of public realm supports the visitor economy. Business Case for Invest to Save to PR&G Committee December 2016 which will generate savings in electricity and maintenance costs through modernisation of equipment from 2018 onwards.	Invest to save proposal will generate savings in later years. Seafront festoon lighting maintenance costs of £0.050m will be funded through receipts from BA i360 that are ringfenced for the seafront.	Delivery Risk: Continued deterioration of equipment without future investment.  Impact on Outcomes: Community safety & resilience is supported by effective street lighting.	15	52	152	252

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2017-18	2018-19
		£'000	£'000					£'000	£'000	£'000	£'000
<b>ECONOMY, ENVIRONMENT &amp; CULTURE</b>											
Highways	Network Management and Winter Maintenance	3,757	2,984	21.8	All services are statutory duties. The Highways Asset Management Programme (HAMP) will include a business case for transferring spend from reactive to planned maintenance. CIPFA VfM shows Planned Highway Maintenance Costs are low. Outsourcing options have been investigated but are higher cost per call out. Shared regional contract arrangements are already in place. Traffic and streetworks management benchmarking is underway to explore offering this service to other local authorities. The Winter Maintenance service makes reasonable provision to keep roads clear of ice and snow.	Spending on reactive maintenance is being reduced by 12% over the four year period. For Winter Maintenance need to encourage community resilience.	Delivery Risk: This budget responds to all genuine safety hazards such as large potholes, broken paving etc and significant cuts could put the council at risk of increased insurance claims.	54	94	44	44
Highways	Traffic Signals and Systems	1,037	1,008	4.6	These budgets represent the real time bus information maintenance and safety maintenance traffic signals, which includes Variable Message Signs, CCTV and traffic signals. There is a statutory duty to maintain this existing infrastructure. Cost per traffic signal site is in the mid-range quartiles of authorities sampled.	Maintenance is already at a minimum and to achieve further savings traffic signals would need to be decommissioned.		52			
Highways Engineering	Highways Engineering	772	772	7.0	Statutory duty to maintain highway structures, coastal structures and to mitigate floods. Includes statutory inspections which are essential for safety. Draws in DFT funding to support Highway assets and funding from other agencies to bid for seawall and groyne projects. Staff costs are wholly recharged to capital.	An increased focus on preventative maintenance could lead to a larger proportional reduction in reactive maintenance producing long term savings for the council					
Parking Services	Decriminalisation of Parking Enforcement (On-Street Parking) 1. Off-Street & Leased Car Parking. 2. Parking Infrastructure and Maintenance	12,107	(16,888)	62.9	Staff resources create & amend resident parking zones; maintain on street & off street pay parking payment machines.	Savings from unsupported borrowing budgets no longer required. Additional income through investment in one blue badge fraud investigator, growth in visitor numbers, permit holders take-up and review of measures to manage demand and congestion.	Delivery Risk: Any funding required for future off street car park refurbishment would need to be part of a business case based on future income or using any potential increased surplus in future years.  Impact on Outcomes: Improved resident satisfaction.  See EIA 21.	417	562	204	190

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>ECONOMY, ENVIRONMENT &amp; CULTURE</b>											
Transport Planning & Road Safety	Transport Planning and Policy. Road Safety and Education.	980	791	26.0	Traffic Management and Road Safety service costs are low compared to other authorities and includes resources and staff costs for physical measures, campaigns, presentations & community events aimed at our priority road user groups. Delivers Local Transport Plan, other key capital projects and statutory functions such as Road Safety Investigation and subsequent measures. There are 22 school crossing patrol sites.	Increase commercial income through new advertising opportunities and reduced funding allocation to the Sussex Safer Roads Partnership	Delivery Risk: Poor take-up of customers for advertising space would impact on delivery of this saving.	70	55	5	5
Transport Planning & Road Safety	Public Transport	1,108	1,049	3.4	Provides financial support for bus services operated under contract to the city council, where bus operators do not find it economic to provide a service on a commercial basis. The current supported bus network comprises a number of complete routes and the extension of some commercial routes to operate during the evening or at weekends.	The council is required to have regard to the transport needs of members of the public who are elderly or disabled; and statutory duties under the Education Act 1996 for entitled pupils. Savings of £0.290m can be achieved through reprourement of service which will commence in September 2017.	Delivery Risk: The bus operator/s are not able to pick up non commercial routes that were previously supported by the council. If this happens the council may need to reconsider its options.  Impact on Outcomes: There is likely to be minimal impact due to the service continuing commercially. If the operator decides the service is no longer commercially viable there may be an impact to the local community depending on availability and proximity of alternatives.  See EIA 22.	132	170	120	
<b>Transport Total</b>		<b>23,456</b>	<b>(6,938)</b>	<b>155.7</b>				<b>980</b>	<b>1,083</b>	<b>455</b>	<b>491</b>
<b>CITY ENVIRONMENTAL MANAGEMENT</b>											
Sports Facilities	Sports Facilities Contracts, non-contract facilities and golf courses contract	1,325	949	4.0	10-year contract let in 2011 which generated a saving of £1.5m per annum and enabled funding for re-investment to increase long term viability of facilities. Some savings are possible from energy costs and contract responsibilities. Delivery of facilities at minimal cost in partnership with community groups such as the Saltdean Lido restoration project. Review golf courses contract for re-tender in 2019/20.	Continue service improvements within existing contract, with a view to re-tendering (to include a new King Alfred) in 2020/21. Energy savings and savings from contract variations which had been achieved by re-letting the contract.	Delivery Risk: Low risk providing projects to provide new facilities are successful.  Impact on Outcomes: Risk of any impact from energy savings being mitigated by energy saving measures. Should be limited impact from reduction in contract variations.  See EIA 23.	95	90	61	41

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>ECONOMY, ENVIRONMENT &amp; CULTURE</b>											
Seafront Services	Seafront Properties, Volks Railway and Seafront Services	1,077	(1,079)	23.2	Essential service to ensure the management of the seafront, which is a prime asset of the city and key contributor to the city's tourism economy. Maximise income and continue with existing service due to the health and safety risks of the seafront operation.	Development of Seafront Investment Plan. Opportunities created by new developments (eg. i360, Peter Pan site) to increase income from seafront property portfolio.	Delivery Risk: Poor condition of seafront infrastructure (eg. closure of Madeira Terraces) can negatively impact upon income from properties. Tourism market conditions can influence the number of visitors to the seafront. Overall, low risk providing there is an on-going programme of investment in the seafront.	35	10	10	10
Outdoor Events	Outdoor Events	230	(51)	3.0	Facilitates the delivery of the city's events programme, with over 300 events annually. Events have a significant economic benefit to the city.	Reviewing event contracts to reduce expenditure and increase income.	Delivery Risk: Risk that some events may not be viable to take place in the city so may result in loss of events and subsequent income.  Impact on Outcomes: Expected minimal impact provided events continue to be viable.	30	50	-	-
City Clean & Parks Management	City Clean & City Parks Management and Projects, Strategy & Administration	1,460	1,340	30.6	Reducing spend on supplies and services budgets as the overall service reduces in size.	A 6% reduction in supplies and services budgets for 2017/18 across the service including for example consumables, litter bins and weed spraying. Note that a 13.7% reduction was applied in 2016/17 and there are further reductions applied in future years.	Delivery Risk: Low risk in early years but there is a risk that demand and expectations exceed budget.  Impact on Outcomes: Low impact; as service reduces, the requirement for consumables will reduce.	175	75	75	50
					Additional service redesign should enable further efficiencies and cost reductions within City Clean and City Parks services.	Vacancy control and a review of the Management and Administration spans of control across the service in accordance with Management Spans & Accountability (MSA) principles.	Delivery Risk: Redesigned service will need to manage demand. Primary risk that vacancies do not occur as expected or demand exceeds resources.  Impact on Outcomes: Low impact if service redesign effective,	450	150	50	50

Service Area					Service & Financial Strategy			Savings Detail			
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		£'000	£'000					£'000	£'000	£'000	£'000
<b>ECONOMY, ENVIRONMENT &amp; CULTURE</b>											
City Clean	Refuse Collection, Recycling Collection, Street Cleansing and Fleet & Vehicle Management	10,904	10,370	302.8	Statutory Refuse, Recycling and Street Cleansing Service. Average cost of refuse collection per household of £49.57 compares favourably with national average of £60.45. Performance levels compare favourably to national averages. Average cost of recycling collection per household is £33.02, compared to average cost of £23.27. Performance levels are below national averages. Average cost of street cleansing per household is £46.73 compared to average cost of £32.98 but the substantial visitor economy and beach cleaning will contribute to higher than average costs. Performance levels compare favourably with national levels. Strategy is to adopt a commercial approach to providing vehicle repairs to the council's fleet and external customers. Also, service redesign following refurbishment of Hollingdean Depot, including better utilisation of fleet and training of drivers.	Savings represent net income (i.e. after any additional costs) from new or increased income generating schemes such as commercial waste collection service, fleet workshop repairs & maintenance, textile banks for recycling, clearing up the city after major public events and advertising on big belly bins	Delivery Risk: Risk that future income targets are lower than estimated.  Impact on Outcomes: Low impact if service redesign effective.	185	400	140	60
City Clean	Public Conveniences	920	906	-	Public conveniences are not a statutory service but are linked to the support of the visitor economy.	Reprocurement of the cleaning and maintenance contract to deliver contract savings. There are no proposals to close any additional sites through this retender.	Delivery Risk: Managing demand is key. Cost of contract could be greater than anticipated.  Impact on Outcomes: Improved outcomes/service through charging (better financial viability).  See EIA 24.		100	75	50
City Parks	City Parks	2,426	2,197	102.3	Cost of service per household is £38.85, which compares to average cost of £30.76. 7 Green Flag standard parks. The small team develops the strategies that will shape the future of park & open space usage across the City - e.g. Open Space Strategy, Play Pitch / Play Area Strategy / HLF Funding Bids & S106 developments.	New delivery model of parks service, e.g. potential for community and trust run services in future years. For 2017/18 reduction of 1 FTE in Parks project team through merger with Sport and Leisure functions	Delivery Risk: Options appraisal to be developed with full business case for preferred options with two year lead in. Proposal would significantly reduce capacity to deliver key park projects including Stanmer, Open Space Strategy and S106 projects.  Impact on Outcomes: Expected improved outcomes for parks and open spaces.	38	50	200	-



Service Area					Service & Financial Strategy			Savings Detail			
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		2016-17	2016-17					2016-17	2017-18	2018-19	2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>ECONOMY, ENVIRONMENT &amp; CULTURE</b>											
City Parks	Conservation and Arboriculture	894	881	22.9	Retain Conservation and Arboriculture services focusing on volunteering, engagement, public rights of way work and the inspection and maintenance of trees in the city. Brighton has a rare tree collection and there are an estimated 12,000 street trees, for which some of the maintenance work is sub-contracted out.	Savings of £0.102m were included for 2016/17 as part of last year's budget setting. No further savings are proposed	Delivery Risk: None	102			
City Parks	Sports & Recreation Bookings & Allotments	148	(231)	4.0	Adopt a commercial approach promoting self managed sport and recreation facilities by users alongside full cost recovery. This covers bowling clubs, tennis courts, football, cricket pitches and allotments.	A review of sport and recreation subsidies through consultation.	Delivery Risk: Risk that income reduces due to increased charging. Needs a full business case to be developed including effective consultation with those affected NB: A proportion of this saving maybe delivered through savings in property budgets.  Impact on Outcomes: No impact on outcomes if the strategy is successful.	20	100	130	
Waste PFI	Refuse and Recycling Disposal	13,041	12,439	-	Service is at average cost per head of population compared with CIPFA nearest neighbours. Note: BHCC costs include construction and operation of Private Finance Initiative (PFI) facilities.	A review of the economic and performance assumptions in the PFI financial model will not generate any savings for 2017/18.	Delivery Risk: None Impact on Outcomes:	200			
<b>City Environmental Management Total</b>		<b>32,425</b>	<b>27,721</b>	<b>492.8</b>				<b>1,330</b>	<b>1,025</b>	<b>741</b>	<b>261</b>
<b>CITY DEVELOPMENT &amp; REGENERATION</b>											
Assistant Director Development & Regeneration	Asset Management	104	104	1.4	Merger Planning & Building Control with the City Regeneration Service took place in 2016/17 to create efficiencies in service provision particularly in areas such as sustainability advice and strategic planning policy for regeneration.	The merger of Planning & Building Control with the City Regeneration Service resulted in management savings (a reduction of 2 FTE managers)	Delivery Risk: No risk.  Impact on Outcomes: Low impact if service redesign successful.				

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Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>ECONOMY, ENVIRONMENT &amp; CULTURE</b>											
Economic Development, International & Sustainability	Economic Development, International Team, Sustainability - Biosphere Delivery	790	647	13	The Economic Growth function within Development & Regeneration consists of Economic Development, International and Sustainability services. The Economic Development Service is the only council service that is focused on helping business to survive and thrive and the initiatives budget is significantly smaller than neighbouring authorities (e.g. BHCC ED £0.090m/ WSCC £0.600m). The Service was restructured in 2015/16 to better reflect service priorities and is now more streamlined and focused on new operating practices that will help to bring a more robust management and reporting structure to the team's activities. It is recommended to retain this service.	A 10% cut in the initiatives budget is proposed as a result of greater collaboration with external partners. Merge Economic Development with the International & Sustainability Team to create a new Economic Growth Unit resulting in a reduction of 1 to 2ftes. Integration of work on economy and sustainability to provide efficiencies.	Delivery Risk: A 10% reduction in the initiatives budget is low risk. Reduced capacity from loss of 1 to 2 ftes may lead to less focus upon some sustainability work.  Impact on Outcomes: If costs for delivery are shared there may be a reduction in the outcomes for projects locally.	60	90		
Major Projects and Regeneration	Major Projects and Regeneration	363	363	6.1	Retain the current team of four project managers delivering the City Regeneration programme of 13 major regeneration projects. Benchmarking with Bristol, a comparable city with similar regeneration goals and focus on sustainable regeneration, has shown that Bristol direct spend on major projects is considerably higher.	As well as investing in the future of Brighton & Hove and delivering economic growth for the City, new income is generated through completion of regeneration schemes through new business rates, council tax revenue and New Homes Bonus (N.B relates to projects that are additional to assumptions in MTFS).	Delivery Risk: With several major regeneration projects progressing and significant capital funding allocated for projects through the City Deal and Growth Deal there is a risk to delivering a large scale complex regeneration programme with a small team of 4 project managers.	53	105	67	45
Head of City Planning	Planning	730	730	21.0	Retention of this high profile service is recommended. There is a political and reputational impact to performance issues associated with planning. A modernisation programme is underway with a focus upon improving performance and customer service. Merger of Planning with the City Regeneration Team took place in 2016/17 to create efficiencies in service provision particularly in management and areas such as sustainability advice, strategic planning policy' and regeneration resulting in a net reduction of 2 fte managers.	Efficiency savings proposed through cost recovery (pre-application charging and planning performance agreements, and efficiencies delivered through business process review and digitalisation following introduction of new ICT system in Sept 2016.	Delivery Risk: Sufficient expertise at an appropriate level to direct service and deliver customer confidence.  Impact on Outcomes: Negligible impact if service redesign is effective. Account will need to be taken of the costs associated with the current Interim Head of Planning and the continued employment of one of the post holders whose post no longer exists in the new structure.	87	88	45	45

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		2016-17	2016-17					2016-17	2016-17	2016-17	2016-17
		£'000	£'000					£'000	£'000	£'000	£'000
<b>ECONOMY, ENVIRONMENT &amp; CULTURE</b>											
Development Planning	Building Control	784	(52)	17.9	Retain this service as it recovers costs where possible through charging.	Service redesign including reducing the use of consultants for regulation of sports grounds and directly employing expertise. A number of Senior Surveyors staff are nearing retirement and a service redesign would support the training and development of new Assistant/Trainee staff to provide good succession planning whilst achieving small efficiency savings.	Delivery Risk: ICT support is essential to deliver robust mobile working solutions to assist in delivery of service. Negotiations to bring consultancy expertise in house are key.  Impact on Outcomes: No impact on outcomes - service will be maintained but at a lower cost. These savings are assured.	10	10	10	10
Development Planning	Planning Control Applications	1,246	(51)	27.1	A modernisation programme is underway to improve performance and customer service. A Business Process Improvement (BPI) review will commence in January 2017 following introduction of new ICT system with the aim of delivering efficiencies in administration of planning application. Service is recovering more of its costs through the introduction of pre-application charging and Planning Performance Agreements.	Planning application business process improvement review will result in efficiencies of £0.050m from 2017/18 in administration of planning applications. Additional income is anticipated from Pre-application charges from charging for minor applications and others from 2017/18.	Delivery Risk: Successful recruitment to vacant posts is essential to ensure capacity to deliver. Risk is that this service is not taken up if the fees are too high.  Impact on Outcomes: Improved outcomes through a more streamlined planning service and speeding up the planning process for developers. Detailed work on business process reviews will commence early in the calendar year 2017.	9	59	124	59
Planning Policy and Major Projects	Planning Policy and Major Projects	871	866	15.7	Retaining this statutory service. Comparison with private sector rates indicates that use of the council's in house specialists (such as Heritage Team) represents a saving. Development of City Plan Part 2 underway and future years' savings will include a gradual reduction in the use of consultants as the City Plan part 2 progressively reaches adoption.	Proposal to market specialist knowledge of Heritage team etc. to other local authorities therefore increasing income. There is also the potential to merge some parts of the team with the Regeneration Team creating efficiencies. Also seeking opportunities to charge for staff expertise (possibly as part of a sub-regional strategic planning unit).	Delivery Risk: Risk that the market does not buy these services.  Impact on Outcomes: Negligible impact if re-prioritisation of work is successful. None, if plans are adopted according to plan.	7	32	29	33
<b>City Development &amp; Regeneration Total</b>		<b>4,888</b>	<b>2,607</b>	<b>101.9</b>				<b>226</b>	<b>384</b>	<b>275</b>	<b>192</b>

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>ECONOMY, ENVIRONMENT &amp; CULTURE</b>											
<b>CULTURE</b>											
Royal Pavilion & Museums	Management of 5 sites open to public, 8 other sites of historical importance, off site store. Lead Museum Service for SE Museum Development	6,533	1,151	138.2	The Royal Pavilion & Museums are a nationally significant museums service with an international profile through the Royal Pavilion and Brighton Museum. The Socio-economic impact of the Pavilion was c£28m to the city in 2012 and the iconic impact was calculated to be c£60m in 2006 in a University of Brighton study. In addition to its contribution to the tourist economy it contributes to a range of social and educational outcomes for residents and visitors to the city. The strategy is to future-proof the service for social and economic benefit, community engagement and health & wellbeing through a new delivery model outside of council direct management. This will maximise commercial opportunities, earned income, tax benefits such as gift aid, tax rebates and fundraising.	1. Modernisation Programme. A new delivery model outside of council direct management will maximise earned income, tax benefits such as gift aid, tax rebates and fundraising. 2. Continuing to reduce staffing costs and assessing vacant posts as they arise. 3. Re-assessing the use of casual staffing to reduce costs through for example requiring non-front of house staff to cover for absenteeism. 4. New income from hiring of spaces not previously actively hired and additional function income.	Delivery Risk: Options for moving to a new delivery model require securing a permanent funding stream from the council and any delays in the project will impact on how savings are delivered and projects and programmes to which the RPM is committed. Impact on service delivery and ability to continue to meet accreditation standards are important to avoid impacts on grant funding. Accreditation standards include care and documentation of collections which with staff reductions could risk achievement of targets set. Core budget reduction can impact on ability to raise external funds and staffing reductions and loss of museum professional staff may put projects and RPM national and international reputation at risk.  Impact on Outcomes: Reduced capacity can impact on delivery of services and public expectations. Ability to deliver on grant funded projects and needs to be managed effectively to avoid impacting on the quality of the service offer. Potential risk that Arts Council will not fund RPM from 2018 onwards with drop in Local Authority funding of funding bodies not granting funds as the council contribution becomes less. However, this is a national situation. 2018-20 savings of £0.121m & £0.081m will be achieved through Business rate reduction on move to Trust which has a net saving effect through loss of Business Rate income to the council.  See EIA 25.	205	190	121	81

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		2016-17	2016-17					2016-17	2016-17	2017-18	2018-19
		£'000	£'000					£'000	£'000	£'000	£'000
<b>ECONOMY, ENVIRONMENT &amp; CULTURE</b>											
Partnership Arrangements	Contribution to BDFL Trust in line with agreement, Archive service for the city through the Keep in accordance with agreement with ESCC and Sussex University	1,906	1,866	1.5	Contractual grant agreement with Brighton Dome & Festival Ltd (BDFL), which includes an inflationary uplift each year with no break clause. The delivery of the Corn Exchange and Studio Theatre capital redevelopment relies on this continued level of support. Contribution to the Keep (modern archive facility) to ensure the continued safeguarding of the City's archives to meet the national archive standards for which there is a 3-year commitment to the same level of funding.	No savings possible but continue to review opportunities for increasing commercial revenue and reducing costs.	Impact on Outcomes: None expected.	90	(90)	-	-
Venues (Including Conferences)	Venues (incl Conferences)	4,785	829	43.9	The Brighton Centre is an important driver to the economy of the City. The VisitBrighton Convention Bureau will continue to deliver significant levels of Business Tourism to the City. The £1.247m 'Subvention' budget is ring-fenced to support conferences at the Brighton Centre (i.e. to support the visitor economy) and maintaining this budget is part of the Waterfront financial plan delivering strategic priorities. The primary strategy is to continue to ensure operational costs are as low as feasible while continuing to improve income generation.	To strategically manage and maximise the commercial potential of the diary. Also, cost reductions on operational supplies, contracts and business rates and 3fte from service design already undertaken.	Delivery Risk: Low risk. However, these savings remove the potential for the budget funding future borrowing costs of the Waterfront development which will now be included in the Medium Term Financial Strategy (MTFS).  Impact on Outcomes: No impact on outcomes expected.	180	155	-	-

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		2016-17	2016-17					2016-17	2016-17	2016-17	2017-18	2018-19
		£'000	£'000					£'000	£'000	£'000	£'000	
<b>ECONOMY, ENVIRONMENT &amp; CULTURE</b>												
Tourism	Marketing & Visitor Services	538	302	8.3	Full business case and option appraisal has been completed reviewing remaining in-house, outsourcing or shared service models. Recommendation is to retain the service because this option would achieve the savings targets identified in the 4 year savings plans, continue to provide the city and visitors with an impartial service, build on the good relationships with businesses across the city and allow a joined up approach with other council services.	£0.110m has been saved from the operating costs budget for 2016/17. Proposed service redesign included a commercial role to explore new income streams. This has been stopped and offered as a saving increasing savings proposals to £0.080m for 2017/18.	Delivery Risk: Reduced capacity to deliver 'VisitBrighton' visitor services could lead to the council being perceived as not promoting and facilitating business in the City. The VisitBrighton network of member businesses helps to foster the relationship between the council and businesses within the city. The visitor economy is estimated at £815m and supports over 21,500 jobs. Any reduction in tourism services could negatively impact on these figures and the wider economy of the city.  Impact on Outcomes: There is an inherent risk of increasing the cost of the VisitBrighton Partnership with a large % increase in year 1, which could have an adverse effect on partners re-joining the Partnership scheme.	97	80	-	-	
<b>Culture Total</b>		<b>13,762</b>	<b>4,148</b>	<b>191.9</b>					<b>572</b>	<b>335</b>	<b>121</b>	<b>81</b>
<b>PROPERTY</b>												
Property & Design	AD Property & Design	incl. below	incl. below	1.0	Reduction of existing Supplies and Services budgets.	Reduce budgets for non-essential spend.	Delivery Risk: None.	-	11	-	-	
Customer Services	Customer Service Centres, Reception/Switch board & Concessionary Bus Travel	693	613	19.5	A new concierge model of service delivery. The overall rationale is that the 'meet & greet' and initial enquiry facility provided by the Customer Service Advisors can be removed as a result of services who currently use the Customer Service Centres (CSC) taking an end-to-end approach to working with their customers which removes the need for CSC staff to act as the first point of contact. The proposals have been informed by the CSC Business Process Improvement (BPI) review.	The proposal is to develop a Concierge model of delivery by combining the role of Customer Service Advisors and Security Officers. CSCs would therefore operate with a concierge service at the reception areas. 'Channel shift' (e.g. from face-to-face contact to on-line) is expected to reduce the number of people using services face to face and the development of neighbourhood services and hubs will provide other access points.	Delivery Risk: Knowledge and skills of concierge staff will be critical to effective delivery. Space to accommodate duty staff at Hove Town Hall CSC will be necessary.  Impact on Outcomes: Design of end-to-end processes and effective channel shift should minimise any impact on customer satisfaction. BPI process undertaken during 2016 to minimise adverse impacts.	23	405	75	40	

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2017-18
		£'000	£'000					£'000	£'000	£'000	£'000
<b>ECONOMY, ENVIRONMENT &amp; CULTURE</b>											
Facilities & Building Services	Printing, Scanning, Post & Couriers Cleaning, Waste & Security Premises & Helpdesk Building M&E Services	4,319	3,590	39.5	Post & Courier: stop manual post service. Introduce e-post to improve value for money and generate income. Also undertake service redesign. Print & Scan: Service redesign to consolidate all corporate print services and generate income. Facilities & Premises: Value for money assured through economies of scale of the 'Corporate Landlord' model and regular reprourement of outsourced services. Maintenance: careful prioritisation and monitoring of reactive maintenance requests.	Continue Corporate Landlord (CL) trading approach with further restructure following on from the imminent service redesign incorporating proposed changes to the Customer Service Centre (CSC) delivery model. Explore future service options through Orbis shared service partnership. Extend CL model to non-CL corporate clients.	Delivery Risk: Understanding of our exact support service overhead costs to trade competitively. Risk is that the customer service delivery model changes are not implemented affecting the significant amount of this saving  Impact on Outcomes: Reduction in maintenance spend & deterioration or closure of premises unless aligned to a comprehensive and agreed disposal plan.	214	192	-	-
Building Surveying & Maintenance	Building Surveying Services	2,091	1,131	19.2	Value for Money (VfM) Benchmarking is proposed - reputational and political risks associated with not correctly prioritising available funding. Continue Corporate Landlord commercial trading approach and service redesign. Retain in-house and extend traded service through Orbis and/or the Greater Brighton region to increase external fee income.	Reduction in building maintenance spend by prioritising work in accordance with the Building Maintenance Strategy and Asset Management Plan. Capitalisation of £0.500m of maintenance elements deemed as capital expenditure, from being funded from revenue to funded from borrowing. Savings allow for 3 years of borrowing to maintain the Planned Maintenance Budget (PMB) budget at current levels.	Delivery Risk: From 2020/21 there would be no budget for new borrowing leaving the Planned Maintenance Budget short by £0.500m compared to this year. This could impact on future maintenance commitments and the council would need to review corporate resources/priorities in 2020/21 to augment the planned maintenance budget if that is the priority. There is a risk that the maintenance backlog would build up to an unsustainable level impacting on the appearance and reputation of the City.  Impact on Outcomes: Impact could be a reduction in maintenance spend & deterioration or closure of premises unless aligned to a comprehensive and agreed disposal plan.	10	455	25	25

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>ECONOMY, ENVIRONMENT &amp; CULTURE</b>											
Architecture & Design	Architecture & Design Services	878	(158)	11.2	VfM Benchmarking. The team is 100% self financing through fees earned. The fee charges are benchmarked against the private sector to ensure VfM. The fees earned not only pay for the salaries of the team but contribute to the budget of Property & Design as a whole. This function supports delivery of new school places and new housing in the city which is a strategic fit with Corporate Plan priorities.	Continue Corporate Landlord commercial trading approach and service redesign. Retain in-house and extend traded services through Orbis and/or the Greater Brighton region to increase external fee income.	Delivery Risk: Failure to secure additional commissions resulting in reduced fee income. Understanding our exact support service overhead costs to trade effectively.  Impact on Outcomes: No impact on outcomes is expected.	25	30	30	30
Workstyles	Workstyles Programme Management	97	(11)	8.5	Value for money assured through close monitoring of the 'Workstyles' (office rationalisation and modernisation) business case. This is a spend to save programme to ensure best use of our assets and has a political dimension.	Retain in-house until the completion of the Workstyles programme.	Delivery Risk: Programme risks are manageable and are set out in publicly available committee reports and within the Workstyles business case.  Impact on Outcomes: Potential impacts are detailed in publicly available Workstyles committee reports and the business case.	330	302	163	78
Education Property Management	Education Property Management	1,981	1,930	6.0	Value for money assessed through the provision of sufficient school places in the city and management of the schools investment programme. The provision of school places within the city has a political dimension. The team perform statutory duties required for education asset management, school places, DfE returns etc. Proposals is to retain the service in-house and explore future service options through the Orbis shared service partnership.	Partial capitalisation of staff costs offset by the Capital Programme management by these staff. The DfE have awarded BHCC £4.9m per year over a 3 year period commencing in 2015/16. Increase 'Services to Schools' traded offer to include maintenance programme management.	Delivery Risk: If the DfE Capital allocation is reduced this could impact on the capitalisation costs available however the programme would be concurrently reduced requiring less potential management.  Impact on Outcomes: No impact on outcomes is expected.	14	34	14	14
Asset Management	Asset Management	835	538	7.0	VfM Benchmarking. This function has a political dimension through our corporate property strategy & asset management plan with potential impact across all directorates. Explore future service options through Orbis.	Retain in-house with service redesign to avoid duplication of admin functions. Stop some current admin functions. Re-structure the Environment property function to be divided between the Maintenance and the Estates teams.	Delivery Risk: Disposals programme is reliant on political and service department buy-in to achieve savings targets. Need assessment to consider impact upon the capacity of the team to deliver on priorities.  Impact on Outcomes: Reduction in maintenance spend & deterioration or closure of premises unless aligned to a comprehensive and agreed disposal plan.	51	50	77	40



Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2017-18
		£'000	£'000					£'000	£'000	£'000	£'000
<b>ECONOMY, ENVIRONMENT &amp; CULTURE</b>											
Energy & Water Management	Energy & Water Management	1,525	1,464	4.0	VFM Benchmarking. This function fulfils a statutory function in compliance with Carbon Reduction Commitment (CRC), Display Energy Certificates (DEC) & (Energy Performance Certificate (EPC) schemes.	Continue Corporate Landlord trading approach with a small in-house team and an extension of traded services potentially within Orbis and / or the Greater Brighton region. Revised focus of service on key tasks - statutory, bill validation & 'Services to Schools'.	Delivery Risk: May impact on ability to trade with other public sector partners to achieve increased income levels within existing team resources. Understanding our exact support service overhead costs to trade effectively will be essential.  Impact on Outcomes: Reduction in staff posts will impact on the team's ability to provide strategic support in the future above their core tasks. Pressures may remain on the utility budget during exceptional winters in respect of heating fuel.	22	49	-	-
Estates Management	Urban Investment Portfolio Management Rural Investment Portfolio Management In-House Estates Management	3,778	(5,409)	5.5	Value for money assured through regular outsourced re-procurement of the urban and rural portfolios day to day management consultancy services. This function has an important strategic dimension and involvement in sensitive and confidential land and property commercial transactions.	Retain out-sourced services overseen by the small in-house team. Re-balance urban portfolio to derive sustainable income streams. Explore future service opportunities through Orbis / Greater Brighton. Continue CL trading approach with small in-house team. Reduction in NNDR (business rate) budgets and service charge budgets as properties are disposed of.	Delivery Risk: External economic and local market conditions may impact on anticipated rental income and our ability to rebalance the portfolio. Delivery risk for the end of the out-sourced contracts and OJEU (European procurement) lead-in period. Ability to trade with other public sector partners.  Impact on Outcomes: External market conditions may impact on our ability to generate the required additional income. Need for existing services in leased-in buildings to be relocated prior to lease end.	100	110	25	175
<b>Property Total</b>		<b>16,198</b>	<b>3,689</b>	<b>121.4</b>				<b>789</b>	<b>1,638</b>	<b>409</b>	<b>402</b>
<b>Economy, Environment &amp; Culture Total</b>		<b>90,729</b>	<b>31,227</b>	<b>1,063.7</b>				<b>3,897</b>	<b>4,465</b>	<b>2,001</b>	<b>1,427</b>

# Neighbourhood, Communities & Housing (NCH)

## Budget Strategy 2017/18 to 2019/20

### Services and Responsibilities

The NCH Directorate covers the following areas:

- Housing (Council Housing, Housing Strategy, Private Sector Housing, Temporary Accommodation and Homelessness, Travellers)
- Libraries
- Regulatory Services (Environmental Health, Licensing, Trading Standards and Emergency Planning)
- Communities, Equalities & Third Sector
- Community Safety

The directorate focuses on the issues affecting neighbourhoods, communities and housing aiming to develop closer and better relationship with communities, drive improvement in customer satisfaction and develop the council's working with public service partners. This includes delivering a step change in partnership working with the third sector and enhancements in volunteering opportunities. The directorate has responsibility for:

- Delivering services for council housing residents and maintaining the council's housing stock;
- Improving conditions in the private rented sector and delivering adaptations to help people live independently in their homes;
- Providing advice and support to prevent homelessness, and temporary accommodation for statutory homeless households;
- Developing libraries as neighbourhood hubs;
- Closer engagement with local communities in the co-production of neighbourhood focused enforcement services;
- Leading the council's 'Prevent' agenda;
- Delivering volunteering opportunities where possible across common platforms with other public service providers;
- Improving customer satisfaction, complaints resolution and neighbourhood well-being across council services;
- Deepening the understanding across all services of city demographics and the practical measures to address communities of interest and neighbourhoods in need.

### Strategy and Key Proposals

The Integrated Service and Financial Proposals for 2017/18 to 2019/20 support these objectives and set out savings proposals that will be achieved through a mixture of service redesigns and transformations, changes to commissioning, increasing income and other proposals. A brief summary of the main proposals is given below:

#### ***Getting basic services right and making the city an enjoyable place to live and work***

- A council-wide project is underway to explore a neighbourhood approach to environmental enforcement, bringing together different services involved in these activities. This is with a view to improving services and reducing costs by having visible, multi-disciplinary staff working in the field. A cost versus benefit analysis and business case will be developed to evidence and support this strategy.
- Service redesigns in Housing will save £0.231m during 2017/18. The Housing Needs service recently completed a service redesign aimed at achieving efficiencies and improving the customer service by better integrating the Housing options and Homemove functions.

- A similar modernisation improvement for Temporary Accommodation has commenced which will also fit with the outcome of the Business Process Improvement exercises currently being undertaken.
- Where possible the housing service has also sought to combine functions that were previously delivered separately by the former Housing Strategy and Housing Management divisions in order to move towards a more aligned customer service offer, improved customer access, communication and complaints handling across the division.
- Service redesign in the Integrated Housing Adaptations Service continues to deliver savings through aligning resources to prevention through Council Housing project and commissioning work to deliver better value for money.
- Consultation on a potentially significant expansion of a self-funding discretionary licensing activity will also be undertaken to support improvement in the quality of private rented homes.
- The library service has good customer and user satisfaction and is well used and has a key role to play in supporting communities, but they cannot stand still and must be able to improve value for money in the context of the financial challenges ahead. This approach was implemented during 2016/17 changing the way the libraries network is run, increasing opening hours whilst reducing the cost base. There are also proposals around some of the buildings to minimise operational costs and generate capital resources. All of this is based on a very detailed needs analysis. In the longer term libraries will look to increase income generation through diversification of funding, further digital transformation, and increased shared services with other library authorities. Savings across the Library Services including service redesign and transformation over the 3 years total £0.501m.
- Service redesign through rationalisation of Regulatory Services management, Trading Standards establishment and the proposed modernisation of the Civil Contingencies service will achieve savings of £0.164m in 2017/18. This includes plans to review service delivery as part of neighbourhood working with tasks being taken up by generic enforcement officers. This will result in the reduction of process handling, duplication and a more efficient response. This project should reduce demand on existing services.
- Service redesigns within the Communities, Equalities and Third Sector team developing effective integration to improve engagement and policy development will achieve savings of £0.127m.

***Protecting provision for vulnerable people as the city's population grows and the cost of care rises***

Projected levels of homelessness referrals and the high cost of provision will require considerable service pressure funding to avoid increasing homelessness. The proposed budget includes additional funding of £2.420m which will be applied to meet new demands and growing costs.

The savings proposals below have been developed with the aim of protecting vulnerable people while identifying ways to achieve cost reductions. The main savings measures proposed are:

- The Temporary Accommodation budget has continued to experience a high use of spot purchase accommodation due to the loss of properties being decanted and handed back to owners. Without a different strategy to reduce the numbers in temporary accommodation, the number of households in temporary accommodation will continue to increase, with cost increases above inflation. Therefore, the focus is on increased prevention of homelessness with key partners and assisting homeless households to move to alternative private rented sector or other social housing in areas of low demand and lower rents rather than to remain in the city if rents are no longer affordable which is estimated to save £0.907m in 2017/18.
- The directorate will work across the council and engage directly with residents and communities responding to the Fairness Commission findings, driving cross-cutting thematic agendas and leading on building new relationships with community groups, the third sector

and city volunteering. Unless there is closer working with residents and communities, existing relationships will not change which is unlikely to be sustainable for public services into the future.

- The significant redesign of the council's approach to investing in communities and the third sector will result in funding being targeted to community and voluntary organisations and groups working at both grass roots and citywide level on key council priorities; placing the relationship on a more business footing with improved performance management. This will support the council's initial proposed saving of £0.100m in 2017/18 (and a further £0.135m for both 2018/19 and 2019/20). It will also play a key role in providing improved infrastructure and capacity building support to communities and the community & voluntary sector (CVS) to help them become more sustainable and meet demand that the council doesn't or, in the near future, cannot meet. Many other budget saving approaches across the council are reliant on the CVS and the foundation funding provided through the Third Sector Investment Programme. A further potential saving of £0.370m is also possible but carries greater risk. Options are still being explored to try to reduce this saving.

### ***Supporting economic growth and regeneration that benefits everyone***

- Reducing the unit cost of tenancy management and maintenance services within the Housing Revenue Account (HRA) and re-investing the efficiency savings to improve the housing stock and develop new council homes under the New Homes for Neighbourhoods Programme. The HRA has identified savings of £0.815m for 2017/18 mainly from the procurement of gas and other repairs contracts, delivery of business process reviews and efficiency savings within supplies and services.
- The potential development of new Temporary Accommodation through commissioning a council housing stock review to deliver conversions of existing under-used or unused buildings or spaces into Temporary Accommodation. This will achieve savings against costs of procuring more expensive accommodation from the private market either through existing dynamic purchasing frameworks or spot purchase. This approach has already commenced on a pilot basis at the largely vacant Stonehurst Court and a business case is currently being developed to roll out further with savings being delivered in 2018/19.

### **Key Service and Financial Risks**

A number of Welfare Reform measures will come into effect over the next year for which it is difficult to accurately predict the financial impact on various budgets such as temporary accommodation and other welfare support services. The welfare reforms benefit cap is reduced to £20,000 for families in November 2016 which may result in an increase in households applying as homeless and for whom temporary accommodation will also be unaffordable, hence the strategy to offer options for people to relocate. One-off discretionary resources for Welfare Reform impacts and the Council Tax Reduction Scheme will also be maintained and will accompany Discretionary Housing Payments (DHP grant) in providing short-term support for people suffering severe financial hardship.

The Homeless Reduction Bill is currently passing through Parliament and it is unknown at this stage what impact this may have for the service and the council as a whole. Also the Department for Communities and Local Government are drafting proposals to change the funding of Temporary Accommodation which may require substantial escalation of the activities set out in the current Financial Recovery Plan.

The new Housing Allocation policy has now been to committee and has been referred for approval to Policy Resources & Growth Committee. However, there are some member amendments to this policy which may impact on the ability to deliver savings for both the Temporary Accommodation budget and for Adults and Children's social care services.

The service redesign proposals described above include an additional target of £0.300m in 2017/18. Plans to date have identified savings of £0.202m with further options being explored but there is a risk that the full saving may not be achievable.

The additional savings in relation to communities and third sector investment will require careful consideration as this may destabilise a considerable number of third sector organisations in the city that provide other BHCC commissions and that support outcomes for other services. This is also in the context of the recent approval of the third sector investment programme at Neighbourhood, Communities & Equalities Committee in June 2016. As noted above, options are still being explored to try to reduce this additional saving.

### **Links to other strategies**

The budget strategy is firmly rooted in the modernisation programmes led in this directorate that have a direct impact on other directorates and external partners. The Community Collaboration and Community Hubs programme involve Property Services, Adult Social Care and Public Health, and Children's Services, and require effective engagement of the community and voluntary sector, and local neighbourhoods.

Many aspects of the modernisation programmes are dependent on the Digital First programme, and the transformation of the council's IT and communications infrastructure.

Department				Savings Detail			
Department	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
	£'000	£'000		£'000	£'000	£'000	£'000
Housing General Fund	19,369	4,179	119.1	582	1,559	364	93
Libraries	5,375	4,949	67.9	309	142	205	154
Communities, Equalities & Third Sector	2,987	2,751	9.9	208	628	170	135
Regulatory Services	2,936	1,962	73.3	154	220	129	70
Community Safety	2,088	1,260	14.1	133	112	38	31
<b>Total Neighbourhood, Communities &amp; Housing</b>	<b>32,755</b>	<b>15,101</b>	<b>284.3</b>	<b>1,386</b>	<b>2,661</b>	<b>906</b>	<b>483</b>

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>NEIGHBOURHOOD, COMMUNITIES &amp; HOUSING DIRECTOR</b>											
Director	Director NCH	200	183	3.0							
<b>HOUSING GENERAL FUND</b>											
Housing Services	Whole of Housing General Fund service				This proposal is a target saving of £0.300m through service redesigns across housing services, potentially aligning with provision in other directorates. This reflects the need to continuously drive efficient practices and processes to protect investment in direct provision such as Temporary Accommodation.	This proposal is a target saving of £0.300m which has yet to be fully identified through service redesigns within the housing services.	Delivery Risk: Plans to date have identified £0.202m of savings. Work is underway to identify further savings options through service redesigns to meet the target. It is anticipated that the fully saving will be confirmed by February Budget Council.  Impact on Outcomes: Capacity may be impacted across the service, particularly in the short term as service redesign and change are implemented and embedded.		300		

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>NEIGHBOURHOOD, COMMUNITIES &amp; HOUSING</b>											
Housing Services	Housing Options and Homemove - supporting vulnerable households	1,274	1,252	33.9	Housing Options advice is a statutory duty meeting priorities of reducing homelessness. Outsourcing has been unsuccessful elsewhere. Medium cost - benchmarked independently. Although staff costs are high there is also a very high number of assessments completed relative to the number of households in the city (3 times our comparator group) so the unit costs per assessment are below median. Any further reduction of the Housing Options service may adversely impact on our ability to prevent homelessness. This service includes the Homemove Team who administer the Housing Register.	Saving of £0.356m to increase work on prevention and reduce TA numbers by 100. Service redesigned to generate staffing efficiencies - of a further 1fte per annum over the next 3 years. Resources will be focused on homelessness prevention, integrating options and Homemove to remove duplication whilst improving customer service and delivering a more holistic joined up service. Business case being refined to provide homeless reviews for other local authorities which we have piloted with Lewes DC.	Delivery Risk: Low risk as service redesign will be evaluated. However the £0.356m from more move-ons and better prevention work is higher risk and will depend on the ability to incentivise households to move out the area where appropriate.  Impact on Outcomes: Low impact.	349	411	46	47
Housing Strategy & Development	Housing Strategy & Development - enabling & delivering increased housing supply & quality.	452	388	8.7	Retain this statutory service: Enabling development of new housing supply, including 71 affordable homes (2015/16); Working across the City and sub-region (Greater Brighton) to accelerate delivery of new homes; Bringing over 150 long term empty homes back into use annually (156 in 2015/16); generating empty homes element of New Homes Bonus equating to £0.131m and inward investment. Improving the use of all Housing resources through integration across housing services to deliver HRA investment, asset management and stock review in support of wider Housing Strategy priorities.	Service redesign to create one Housing service is now complete and therefore savings in 2017/18 already achieved during 2016/17.	Delivery Risk: Resources not aligned to key areas of work risks failure to focus investment and service delivery on Housing Strategy priorities.  Impact on Outcomes: Improved outcomes for Housing Commissioning / Client side through integration of strategy, development, HRA asset management and stock review.	48	62		

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2016-17
		£'000	£'000					£'000	£'000	£'000	£'000
<b>NEIGHBOURHOOD, COMMUNITIES &amp; HOUSING</b>											
Private Sector Housing (PSH)	Private Sector Housing & Integrated Housing Adaptations Service - improving housing quality in private rented homes, enabling accessibility & supporting independent living across all tenures.	1,089	581	28.3	Retain statutory service: Council & Greater Brighton (Devolution Prospectus) priority raising standards in the Private Rented Sector and conditions in HMOs. Currently license 3,352 HMO's and respond to 100 requests for assistance per month. PSH service is largely self funding through licence fees ring-fenced to administration of the current schemes. Integrated Housing Adaptations Service: Care Act assessment and administration of mandatory Disabled Facilities Grant (DFG). Working across all tenures receiving c50 referrals per month, invested £2.2m in 388 major housing adaptations (2015/16). Commissions new adapted homes and ensures best use of existing adapted/accessible housing. Promotes independent living demonstrated to deliver significant cost benefits.	a) Adaptations Service redesign reducing 1.5 FTE staffing to reflect focus on early intervention and preventative measures and ensure best use of existing adapted and accessible housing stock, b) maximise value for money through review of Adaptations Framework schedule of rates to reduce costs overall & maximising the volume of private sector grant assisted work through the Framework and c) where appropriate further integration with HRA programmes. Increase income from Registered Providers and HRA funding for non-statutory service for tenants.	Delivery Risk: Medium Risk: Over and above delivery of 2016/17 savings, 1 FTE staffing reduction achieved in anticipation of 2017/18 savings (currently fixed term cover until year end). Remaining staff reduction forecast through turnover / redesign as we continue to align service to early intervention, prevention and best use of pan Housing investment and resources. Main risks are: rising demand for adaptations; budget pressures as a result of not being allocated Better Care capital in line with Government allocation via DFG; managing demand and expectations whilst reinforcing a preventative approach, reducing the volume and capital expenditure on reactive adaptations in both council and private sector housing.  Impact on Outcomes: Service redesign will focus on prevention and alternative investment options to reduce pressures on Better Care Budget.	104	49		
Temporary Accommodation & Allocations	Temporary Accommodation	15,750	1,203	39.2	External benchmarking shows that the costs are low. Statutory duty except for those households where accommodation is provided for Adult Social Care (ASC) teams and children's services. The budget provides both emergency and short term temporary accommodation through private sector leases, a framework of qualified providers and nightly spot purchases. Procurement approach being sought to access accommodation outside the city and the South East in areas where costs are lower. Savings in 2018/19 include the potential development of new in-house units through commissioning a council housing stock review to deliver conversions of existing under-used or unused buildings or spaces into Temporary Accommodation.	Service redesign underway to identify efficiency improvements with the focus on more prevention of homelessness with key partners and assisting homeless households to move to alternative private rented sector or other social housing in areas of low demand and lower rents than the city where rents are no longer affordable. 2017/18 efficiencies from management and maintenance of temporary accommodation (TA) and a reduction in the budget for deposit guarantee schemes of £0.100m. New Allocations Policy should enable annual savings of £0.551m by increasing priority to those in TA.	Delivery Risk: Redesigned service will need to manage demand. The savings from the changes to the allocation policy are calculated on the basis of current costs and an estimate of 35% of social housing being allocated to homeless households. Amendments made to this policy at December PR&G Committee could therefore put this saving at risk.  Impact on Outcomes: No impact on outcomes anticipated.	40	716	268	6



Service Area					Service & Financial Strategy			Savings Detail				
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings	
		2016-17	2016-17					2016-17	2016-17	2016-17	2017-18	2018-19
		£'000	£'000	2016-17					£'000	£'000	£'000	£'000
<b>NEIGHBOURHOOD, COMMUNITIES &amp; HOUSING</b>												
Travellers	Travellers	604	572	6.0	No benchmarking information available. New site and reinstatement of transit site should reduce the number of unauthorised encampments (UAEs) and associated costs, provide opportunities to increase income from the site and reduce maintenance costs on refurbish site. Savings from 2018/19 are from increased income from the sites and reductions in staff.	Efficiency savings from reducing waste removal costs and reduced legal fees from unauthorised encampments as a result of increased provision.	Delivery Risk: UAEs and movement of travellers are unpredictable and while a range of measures can be put in place to deter them there is no guarantee that they will reduce.  Impact on Outcomes: If UAEs fail to reduce as predicted we could see a delay in evictions as we will not have sufficient staff to process court applications. However we would not consider the risk of this to be high.	41	21	50	40	
<b>Housing General Fund Total</b>		<b>19,369</b>	<b>4,179</b>	<b>119.1</b>					<b>582</b>	<b>1,559</b>	<b>364</b>	<b>93</b>
<b>LIBRARIES</b>												
Libraries	Library PFI	2,520	2,520	-	Delivering a significant element of the statutory service, the Private Finance Initiative (PFI) contract has demonstrated value for money and is contracted to 2029. The PFI contract is partly covered by a government grant of £1.5m p.a. that is part of the council's settlement funding. The actual net expenditure on the PFI is £1.078m. The libraries modernisation programme has set out a road map for changes over 15 years. Bookfund reductions will also be made, reflecting building changes, usage changes and the move to more digital services.	A review of the PFI contracts will take place in 2016/17 to look at potential savings for implementation in 2017/18. Proposal to look for efficiencies in facilities management over three years 2017-2020, and also reduce bookfund spending in line with changing libraries use.	Delivery Risk: Government consultants have advised that there are limited savings to be found from PFI contracts of this type. If level of savings were set too high, this would have a detrimental effect on service delivery.  Impact on Outcomes: Reduction in bookfund of around 26% over the 4 years will have a limited impact on the range and number of books and other resources that the service can provide. Borrowing items is highest single demand from the public, so this could have a negative impact on customer satisfaction. The move toward, and accessibility of digital services will be important to mitigate impact.  Potential impact on quality of the Jubilee building maintenance as result of FM cost reduction.  See EIA 26.	17	50	30	80	

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>NEIGHBOURHOOD, COMMUNITIES &amp; HOUSING</b>											
Libraries	Hove Library	incl. in other lines	incl. in other lines	incl. in other lines	Current building is expensive to run, with high staffing and running costs, and needing extensive and ongoing maintenance and repairs. Following the rejection of the proposed move of Hove Library to Hove Museum, a new strategy for Hove Library is being developed.	As a result of the PR&G Committee decision to change the agreed Libraries Plan proposals to relocate Hove Library, the anticipated savings need to be found through a reconfiguration of Hove Library spaces to increase income generation potential and reduce running costs. This includes a proposal to close Hove Library on Sundays to reduce staff and operational costs.	<p>Delivery Risk: Delivering savings in the Carnegie building location is much harder than the original Libraries Plan proposals to relocate the service. Risk that projected income targets and savings targets will not be achieved in this location. Member and public objections to Sunday closure would make implementation difficult, and might lead to a judicial review.</p> <p>Impact on Outcomes: The PR&amp;G Committee decision to change the agreed Libraries Plan proposals to relocate Hove Library, could have an impact on the rest of the library network unless mitigating actions are taken to reduce the high costs of running library services in Hove Library.</p> <p>Reduction in size of dedicated library space in order to generate income will change the nature of library services available in this building. However, a library will remain open in this preferred location, albeit 6 days per week, with access to a fuller range of resources via Jubilee Library, which we know many Hove users already visit. Closure on Sunday potentially reduces the income generating proposals already in the existing savings plans and reduces libraries performance as Hove opening hours reduced by 12%</p> <p>See EIA 26.</p>	69	60	144	

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>NEIGHBOURHOOD, COMMUNITIES &amp; HOUSING</b>											
Libraries	Staffing and operational costs	2,855	2,855	67.9	Staffing is essential for the delivery of Library Services but there are opportunities to reduce the cost of services through modernisation and rationalisation, increasing self-service and the 'Libraries Extra' initiative.	Modernisation programme - includes redesign of service delivery to focus on increased self-service, enabling reduced staff and management costs with an opportunity for increased use of volunteers.	Delivery Risk: First stage of savings plan has been successfully achieved. Further staffing changes will be dependent on further staff consultation and community engagement activity.  Impact on Outcomes: Extending public access in terms of hours available to access Library facilities is an important addition to the service while enabling a lower cost of delivery. Remodelling the network of libraries in 2019/20 will impact on areas differently.  See EIA 26.	213	22	21	54
Libraries	Income Generation	<i>incl above</i>	(426)	-	Limited scope for income generation as Libraries are a statutory service with restrictions on what can be charged for. Traditional income (fines, AV hire, reservations) is reducing. Focus will be on raising additional resources for added value services to deliver improved value for money, and increased commercial activity.	Modernisation Programme- diversification of funding to include: commercial income, commissioning income, grant funding, and fundraising. Collecting charges more efficiently and increasing commercial income. Raising more through donations and attracting grant income.	Delivery Risk: Dependent on library visitor trends and market conditions. An important risk is the rapid decline in traditional income streams (£0.015m p.a.) and automatic inflationary increase in targets (£0.010m p.a.) which is creating a service pressure every year before any additional income can be generated.  Impact on Outcomes: Very high level of dependency on income generation. Potentially the income generation could be in conflict with service delivery, and could also put libraries in competition with other departments.  See EIA 26.	10	10	10	20
<b>Libraries Total</b>		<b>5,375</b>	<b>4,949</b>	<b>67.9</b>				<b>309</b>	<b>142</b>	<b>205</b>	<b>154</b>

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2017-18	2018-19
		£'000	£'000					£'000	£'000	£'000	£'000
<b>NEIGHBOURHOOD, COMMUNITIES &amp; HOUSING</b>											
<b>COMMUNITIES, EQUALITIES &amp; THIRD SECTOR</b>											
Communities	Communities and Third Sector Development staffing and operational budget	349	349	6.8	Create a single, streamlined and integrated resource to support community and neighbourhood working and fostering collaborative and independent action by residents, building social capital and resilience, inc. implementing the volunteering policy.	Proposed service redesigns within the directorate to create the single streamlined resource reducing by 3.23 fte staffing.	Delivery Risk: Will impact on ability to support community engagement and equalities work including meeting statutory requirements.  Impact on Outcomes: Effective integration should improve engagement and equalities work around some protected characteristics however will reduce the overall capacity to engage with communities and equalities groups and support other council services to do so effectively. Likely to have an impact on meeting our statutory duties re: Equalities Act	200	127	35	-

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>NEIGHBOURHOOD, COMMUNITIES &amp; HOUSING</b>											
Communities	Communities and Third Sector Development Commission	2,115	1,879	-	Current contracts run until 31st March 2017. Provides infrastructure support to community and voluntary sector organisations to improve their efficiency, effectiveness and reduce dependency on council funding/contracts. Supports third sector organisations to develop and transform in response to the increasing demand on their services from reduced public sector provision. Community development provision is required to be maintained to continue to grow and foster community resilience and self-help in communities. This is likely to be an area of growth again as public service provision reduces and greater reliance on self-help in communities. Key element of delivering greater resilience through new ways of working. NB deferred £0.165m saving from 2016/17 will automatically be removed.	New third sector investment programme agreed by NC&E Committee July 2016 included proposed reductions to the programme. Published for bids in September. Deadline 1st November and awards early January 2017. A further £0.370m reduction of investment in strategic outcomes delivered by third sector is possible but options are still being explored to try to reduce this saving.	Delivery Risk: Potential economic risk as, if not prioritised and planned effectively, some third sector organisations may be at risk and the demand they managed could then present to the city council. Similarly, there could initially be reduced voluntary action in communities that was diverting demand from statutory services. Further reduction of £0.370m could significantly impact on considerable number of third sector organisations in the city that provide other BHCC commissions or that support outcomes for other services. Also these org's often meet demands that public services cannot and do not prioritise. The additional saving carries reputational risk as the third sector investment programme was recently approved at NC&E Committee June 2016. Options are still being explored to try to reduce this saving.  Impact on Outcomes: May result in less 'active citizenship' in neighbourhoods and communities. Rather than reducing demand on statutory services, if not achieved through careful planning, prioritisation and engagement, it is possible there could be an overall negative impact as there may be less overall community action, volunteering and third sector support to meet demands or needs.  See EIA 27.	-	470	135	135

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2016-17
		£'000	£'000					£'000	£'000	£'000	£'000
<b>NEIGHBOURHOOD, COMMUNITIES &amp; HOUSING</b>											
Communities	Equality & Cohesion	217	217	3.1	The service ensures that the council meets its legislative duties under the 2010 Equality Act and achieves the highest standards under the LGA peers assessment Equality Framework for Local Government, and supports the duties of the Neighbourhoods, Communities & Equalities Committee. No significant savings are possible as continued external visibility of the council's commitment to equality is essential.	Continue as originally planned for the four year period.		8	-	-	-
Communities	Healthwatch and NHS ICAS contract	306	306	-	To meet the legislative duty for each Local Authority area to have an independent health and social care watchdog. A review of the contract will be undertaken.	Services are being recommissioned for 2017/18-2019/20; with a 10% reduction in contract value from 2017/18.	Delivery Risk: There is potential for a reduced service to investigate and scrutinise health and social care provision in the city. The re-commissioned service must avoid the risk of not meeting legislative requirements.  Impact on Outcomes: No impact on outcomes expected.	-	31	-	-
<b>Communities, Equalities &amp; Third Sector Total</b>		<b>2,987</b>	<b>2,751</b>	<b>9.9</b>				<b>208</b>	<b>628</b>	<b>170</b>	<b>135</b>
<b>REGULATORY SERVICES</b>											
Environmental Health & Licensing	Environmental Health & Licensing	2,346	1,381	59.8	The service will continue to operate at statutory level in accordance with relevant regulations.	Rationalisation of management structure across the service reducing by 1fte staff in 2017/18; realisation of animal welfare savings already achieved and continuation of plans for Pest Control to be self-financing in 3 years is ongoing.	Delivery Risk: Potential risk of not performing to meet statutory duties or meet duty to investigate all complaints. Added reputational risk.  Impact on Outcomes: Rationalisation of Regulatory Services Management Structure. Possible Impact of FSA 'Regulating Our Future'. Delivery of the Neighbourhoods Enforcement and Inspection Programme will identify where duplication is occurring and where work can be delivered more effectively by the new Field Officer role. Less cruelty and enforcement work results from realigning the Animal Welfare budget.  See EIA 28.	126	116	109	70

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>NEIGHBOURHOOD, COMMUNITIES &amp; HOUSING</b>											
Trading Standards	Trading Standards	408	399	9.8	Operating at statutory level. A regulatory service supporting the local economy, protecting consumers and businesses through a programme of inspections, investigations and advice to ensure a fair and safe trading environment in the city.	Review staff posts as they become vacant - assumed saving of 0.8 FTE staffing in 2017/18 and 0.5 FTE staffing in 2018/19 and also savings from a review of supplies and services.	Delivery Risk: Reduction in consumer protection advice. Political support and risks to local economy.  Impact on Outcomes: Will reduce service level and priority will only be given to work where the team has a statutory duty to undertake regulation. With a high number of SME businesses in the City contributing to the local economy, priority will be given to supporting these where possible but it is likely that the level of support previously provided will not be sustained.  See EIA 28.	28	44	20	-
Civil Contingencies	Civil Contingencies	182	182	3.7	The Civil Contingencies Act 2004 places a statutory duty on councils to have documented and tested Business Continuity Plans (BCPs). This has been the subject of an internal audit during July 2016 and the findings of this audit need to be implemented.	Savings of 1fte staffing resulting from the implementation of a service redesign plus a reduction in supplies and services, and utilising skills and services already based in Regulatory Services.	Delivery Risk: Failure to deliver the savings and findings of the business continuity internal audit will result in financial risk, possible injury and loss of life, and possible legal challenge, and reputational risk.  Impact on Outcomes: Reduction in service required, including a review of where duplication is occurring and where the service can be delivered more effectively and efficiently. Some of this work can be delivered by existing skills in Regulatory Services, including health and safety and risk assessment and management, business continuity, and audit and performance management. The modernisation programme will help to ensure that better resilience and risk management is integrated across services. Including development of sustainable processes and procedures both in the Emergency Planning and Resilience Service but also across services.	-	60	-	-
<b>Regulatory Services Total</b>		<b>2,936</b>	<b>1,962</b>	<b>73.3</b>				<b>154</b>	<b>220</b>	<b>129</b>	<b>70</b>

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2017-18
		£'000	£'000					£'000	£'000	£'000	£'000
<b>NEIGHBOURHOOD, COMMUNITIES &amp; HOUSING</b>											
<b>COMMUNITY SAFETY</b>											
Community Safety	Reducing Violence against Women and Girls. (VAWG)	1,472	725	2.0	Incidents of violence against women and girls reported are still increasing, services have been recommissioned to be more efficient and effective.	Commissioned Services to be reviewed alongside the Living Without Violence specialist support within Families Children and Learning.	Delivery Risk: Efficiencies are expected but no further budget reductions above those included within Families Children and Learning at this stage.	-	-	-	-
Community Safety	Crime & Disorder Partnership Management	399	318	5.0	Core functions and facilities to run community safety service. Addressing community safety, preventing and reducing crime and disorder reduce the number of perpetrators and victims in the city across a range of crimes including those which cause the most harm and increase service pressure in other areas.	Reduce premises costs in 2017/18 from being 'workstyled' in main council buildings. Reduced contribution to police drugs operation. Reduced capacity to work with LGBT community by reduction of 0.5fte. 50% reduction in contribution to legal services. Stop communities against drug work - part time post £0.025m.	Delivery Risk: Statutory function, failure to comply would bring council in breach of law. Reduced capacity in LGBT post will potentially reduce LGBT community trust and confidence. Reduction in legal support could lead to more contested cases. Stopping communities against drugs work may risk that drug use and litter increases, communities will become less resilient to drug use in neighbourhoods. Reduced funding by 50% to police drug operation - risk is that dealers will be less disrupted. Impact and mitigation for both proposals is that the part time post only has limited capacity at the moment so there will be some effect but CityClean may take up some needle find work.  Impact on Outcomes: Reducing core services for community safety will mean less robust oversight of crime and disorder for the city. This may lead to increases in crime and vulnerability to crime and disorder locally. Performance in this area is measured through the Community Safety Partnership. There will be less capacity to assess performance and take action accordingly. This will lead to greater pressure on services dealing with the consequences of crime and disorder. Impact on reduction of £0.020m in Legal Services income.  See EIA 29	67	112		7



Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2017-18
		£'000	£'000					£'000	£'000	£'000	£'000
<b>NEIGHBOURHOOD, COMMUNITIES &amp; HOUSING</b>											
Community Safety	Casework Team	217	217	7.1	Casework Team delivers direct services to victims of anti-social behaviour (ASB) and hate incidents to bring their cases to resolution. The Team also deals directly with perpetrators of ASB and hate to reduce their offending taking out enforcement action when necessary and has some capacity to deal with the impact of drugs on communities.	Reduce staff capacity from 2018/19 onwards.	Delivery Risk: A reduction in capacity means that Thresholds are raised and that fewer victims and perpetrators receive a service to address ASB and hate.  Impact on Outcomes: Reducing capacity to deal effectively with ASB and hate will mean fewer victims receive a service that would resolve cases for them. This will lead to increased community tension and added pressure on services dealing with the consequences.	66		38	24
<b>Community Safety Total</b>		<b>2,088</b>	<b>1,260</b>	<b>14.1</b>				<b>133</b>	<b>112</b>	<b>38</b>	<b>31</b>
<b>Neighbourhood, Communities &amp; Housing Total</b>		<b>32,755</b>	<b>15,101</b>	<b>284.3</b>				<b>1,386</b>	<b>2,661</b>	<b>906</b>	<b>483</b>

## Finance & Resources (F&R)

### Budget Strategy 2017/18 to 2019/20

#### Services and Responsibilities

The Directorate covers the following areas:

- Finance.
- Procurement.
- Revenues & Benefits.
- Human Resources & Organisational Development.
- ICT.
- Internal Audit.

The directorate operates at both a service and corporate level providing essential business support to front-line services while also supporting the council to meet statutory obligations, maintain strong governance, and develop effective strategies across each function.

Its key strategic objectives are as follows:

- To support the council through a period of complex change.
- To continue to provide sustainable services whilst delivering significant savings by joining the Orbis partnership.
- Leading the Digital First programme to transform front-line services as far as possible.

In addition, it supports the council's wider modernisation agenda, for example through finance and HR business partnering, the development of an improved ICT infrastructure, and Internal Audit's proactive approach to risk management.

#### Strategy and Key Proposals

During the 4-year period from 2016/17 to 2019/20 the directorate will reduce its net budget by over 30%. The Integrated Service & Financial Plan sets out how this can be achieved. Key proposals are set out below:

#### ***Getting basic services right – helping to make the city an enjoyable place to live and work***

The council's Digital First programme includes capital investment of £6m which will be used to support transformation of front-line services and support them in making greater efficiencies. This will support the Revenues & Benefits service modernisation within the directorate while other savings and efficiencies across the directorate are planned through:

- Establishing shared support services through the Orbis partnership with East Sussex and Surrey County Councils including ICT, Internal Audit & Corporate Fraud, Human Resources & Organisational Development, Procurement, Finance, and Revenues & Benefits.
- Using the scale that Orbis provides to achieve service resilience as well as providing significant efficiencies by eliminating duplication and reducing management costs.
- Making sure that services provided by the directorate maximise the benefits from digital technology, notably in Revenues & Benefits, in order to achieve significant channel shift (e.g. from telephone to on-line services), leading to better outcomes for residents and lower costs for the council.
- Continuing to improve collection and recovery rates in Revenues & Benefits (i.e. for taxation and benefit overpayments).

- Reduced costs in Finance, ICT, and HR through continuing service re-designs and improved automated processes. Where necessary this work is supported by the Business Process improvement (BPI) team.
- Changes to the Council Tax Reduction Scheme are proposed that will generate £0.250m per annum from 2017/18.
- Reduction in organisational and workforce development activity is planned which will save £0.175m.
- Reviewing Trade Union support including benchmarking with other authorities to ensure that costs are reasonable and affordable.
- Reducing fraud risks and losses, for example through increased use of data matching or improved understanding of fraudulent activity.
- Continuing to maximise 'category management' and contract management opportunities in order to drive through procurement savings and value for money in the circa £300m spent on services provided by third party suppliers to the whole council including contracts managed by Finance & Resources, particularly for ICT.

### **Key Service and Financial Risks**

The directorate provides services within the context of identified strategic and directorate level risks. Strategic level Risks include:

- The financial outlook for the council.
- The transition to modern, digital IT.
- Welfare Reform (e.g. impact of the reduced Benefit cap from November 2016).
- Organisational capacity as a result of change.

These risks are managed by the Executive Leadership Team and are regularly reported on and monitored by the Audit & Standards Committee.

Directorate level risks include:

- Transition and integration into the Orbis shared service partnership.
- Capacity of the directorate to meet the council's expectations and support change and investment programmes.
- Ensuring ICT solutions support service delivery.
- Delivery of *Digital First* objectives.

These risks are managed by the Directorate Management Team.

### **Links to other strategies**

The directorate supports and contributes to the development and delivery of all strategies across the council through its business partnering role and / or its corporate strategic responsibilities. Strategies to which the directorate makes a significant contribution and reports on progress include:

- The budget and Medium Term Financial Strategy (MTFS)
- Workforce Planning and People Plan strategies
- The 10-Year Capital Investment Programme
- Treasury Management and Annual Investment Strategy
- Digital First programme
- ICT Infrastructure programme

Support is routinely provided to other directorates' key modernisation programmes including Adult Social Care, Affordable Housing, Enforcement & Inspection, Royal Pavilion & Museums Trust development, and Workstyles (administrative offices rationalisation and modernisation).

In addition, F&R will provide important support for the requirement to integrate adult social care with health agencies, beginning with discussions over Clinical Commissioning Group (CCG) budgets and joining up commissioning.

Department				Savings Detail			
Department	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
	£'000	£'000		£'000	£'000	£'000	£'000
	Finance	12,910	10,931	324	810	1,082	446
Finance (Tax Base Savings)	216	(333)	8	624	341	307	307
Human Resources & Organisational Development	3,806	2,957	111	335	354	207	181
ICT	8,558	7,253	131	434	657	394	288
<b>Total Finance &amp; Resources</b>	<b>25,490</b>	<b>20,808</b>	<b>574</b>	<b>2,203</b>	<b>2,434</b>	<b>1,354</b>	<b>1,184</b>
<b>Corporate Services</b>	<b>32,905</b>	<b>11,761</b>	<b>-</b>	<b>510</b>	<b>445</b>	<b>116</b>	<b>16</b>

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
		<b>FINANCE &amp; RESOURCES</b>									
<b>FINANCE</b>											
Revenues & Benefits - Benefits Administration	Administration of Housing Benefits and Council Tax Reduction awards - staffing costs budget	3,300	3,286	109.1	The Benefits function is statutory but the combination of a reducing caseload and efficiencies give the opportunity for savings to be made. The most significant factor in downsizing is the planned introduction of universal credit which will transfer caseload to the DWP. The stated savings take the reduction in grant directly related to this work transfer into account. This service is being considered as part of the Support Function Review.	The service continues to review its processes to maximise its use of resources. The reduction in workload, and the nature of the workload being transferred to the DWP provides opportunity to reduce cost while maintaining service standards. The proposal made in 16/17 has been amended to reflect the delay in the implementation of Universal Credit. It is now proposed that 31 posts will be deleted within the 4 year period.	Delivery Risk: The saving forecast is predicated on the introduction of Universal Credit to the DWP forecast timescales. Changes in this forecast have meant a revision of the level of achievable savings and this may change again if there are further amendments to this forecast. There is subsidy risk if performance levels drop. There is also a risk of a skills shortage which may lead to recruitment and cost issues.  Impact on Outcomes: No impact on outcomes provided customer service standards can be maintained.	163	140	44	72
	Administration of Housing Benefits and Council Tax Reduction awards - supplies, service and support costs.				As above.	There will be associated reductions in some supplies & serviced and support costs as the service downsizes. This is a combination of indirect employee costs, postal costs print costs and publicity and marketing costs.	Delivery Risk: The saving forecast is predicated on the introduction of Universal Credit to the DWP forecast timescales and accuracy. Changes in this delivery may mean a reprofiling of savings.  Impact on Outcomes: No impact on outcomes anticipated.	2	21	24	19
	Administration of Housing Benefits and Council Tax Reduction awards - service charges.				To support the budget position by ending unnecessary payments from the General Fund to the HRA fund.		Impact on Outcomes: No impact on outcomes anticipated.	38			

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FINANCE &amp; RESOURCES</b>											
	Collection of Benefit Overpayments					Increase the rate of recovery on historic benefit overpayment arrangements so that they are in line with the current maximum recovery amounts. This is being proposed on a one-off basis due to uncertainty about the current system of Housing Benefit subsidy and the transfer to Universal Credit.	Delivery Risk: The review will have to be applied very sensitively as a blanket approach would impact vulnerable clients and their capacity to meet other financial commitments which may have ramifications to other services and budgets. Diversion of resource and management focus may impact other areas of debt collection.		120		
Revenues & Benefits - Support & Contracts	Administration of Housing Benefits, Council Tax Reduction, Council Tax and Business Rates - computer systems & document management system administration	543	543	20.3	1. Negotiated reduction in main systems contracts 2. Negotiate systems contract reductions in light of the reduced benefit caseload. 3. Negotiate reduction in on line benefit form contract 4. Reduce associated supplies and services costs.	The service has a contract for the provision of a fully functioning housing benefit and council tax reduction system. The current main budgets have been renegotiated and savings identified. A future opportunity for further reduction has been identified. Renegotiations of smaller contracts are either ongoing or planned.	Delivery Risk: There is risk in projected contract savings if the expected Universal credit programme is delayed or market and workload forecasts are inaccurate.  Impact on Outcomes: No impact on outcomes anticipated.	72	11		-
					Reduction in support resources in light of the reduced benefit caseload.	Delete one post in 2017/18 and a further post in 2019/20 (total 2 FTE).	Delivery Risk: There is a risk that the transition generates an increase in documents per case which may mean the scanning and indexing workload does not reduce as predicted.  Impact on Outcomes: No impact on outcomes anticipated.		25	-	25
					Revenues & Benefits have a programme of digital changes to the service that are being delivered within the Digital First framework. As these changes are embedded that will begin to deliver savings. The success of the savings is, in part, dependent on managing customer channel shift to self-help services on -line.	There are three aspects to the delivery of digital savings . The first is reductions in cases, mostly postage and printing as e-documents are introduced. Second are savings related to automation as data from on-line forms automatically populates database records. The third is channel shift where self help means less resource is required for face to face and telephone contact.	Delivery Risk: If the channel shift is not on timetable then there will be a resource pressure that may have a detrimental effect on income collect or benefit subsidy.  Impact on Outcomes: No impact on outcomes provided customer services can be maintained and the change co-ordinated with other services.  See EIA 30.		27	82	75

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2017-18	2018-19
<b>FINANCE &amp; RESOURCES</b>											
					Service redesign	Service redesign to compliment the delivery of digital programme.	Delivery Risk: There is a risk that the service could be significantly under resourced if the redesign is implemented before digital channel shift has an impact on workload. This could negatively impact on customer service, particular phone and face to face services, income collection and the timetable for the achievement of future savings.  See EIA 30.		100		
Revenues & Benefits - Discretionary Awards	The administration of the Discretionary Housing Payments and the Council Tax Reduction Discretionary scheme	1,079	303	3.3	To reduce the permanent element of the discretionary set aside to support the local Council Tax Reduction Scheme to proportionate levels.	It is proposed to reduce the commitment to this fund over the next 3 years as it is not fully utilised. It was well funded initially as a prudent mitigation against the pressures of reducing the funding to the main scheme.	Delivery Risk: There is risk in reducing any discretionary scheme set to support the vulnerable but with revised parameters and sensitive collection strategies it is believed that this risks can be reasonably mitigated. A downturn in economic conditions may impact further.  Impact on Outcomes: No impact on outcomes are expected based on current trends.	50	45	45	
Revenues & Benefits - Council Tax Administration	Administration of Council Tax collection	2,364	1,653	63.8	The collection of council tax is statutory and administration savings have to be fully considered to make sure they do not impact on collection efficiency. However some savings have been identified. This service is being considered as part of the Support Function Review.	The saving is a combination of savings due to channel shift, moving the council tax leaflet to online only, reducing postal costs because of on line and text facilities etc and some direct supplies and service savings on underspending budgets.	Delivery Risk: These savings are considered low risk in the context of collection provided the digital roll out stays on track.  Impact on Outcomes: No impact on outcomes anticipated.	30	1	10	10
Procurement Services	Procurement	554	514	15.0	Assumes funding through top-slicing contract management efficiencies across all areas in accordance with the approved business case. This reflects best practice studies that indicate that effective contract management can reduce contract costs by between 2% and 5%.	Additional funding generated through top-slicing additional savings derived from improved contract management across the authority.	Delivery Risk: Non-compliance with the new contract management approach will undermine the ability to generate savings (and therefore funds). This would mean that contract management could not be fully supported and savings and efficiency opportunities lost to the authority.  Impact on Outcomes: If recent investment in training and skills does not improve compliance and skills as expected across services, a reduced Corporate Team could impact on procurement compliance and savings potential.	69	49	41	27

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2016-17
		£'000	£'000								
<b>FINANCE &amp; RESOURCES</b>											
CFO	CFO	202	202	2.0	Budget for Executive Director Finance & Resources. Significant saving only possible if this post/role is changed by the Authority.	Savings on training and supplies and services.	Delivery Risk: None.  Impact on Outcomes: No impact on outcomes anticipated.	5	10	-	-
Financial Services	Financial Management & Advice	4,105	3,715	94.6	Aligning costs with the reducing size of the organisation but also ensuring costs are lower quartile and compare favourably with outsourced models. Service will be part of the shared service partnership with Orbis.	Ongoing redesign and re-prioritisation of the service will be undertaken including some processing changes (BPI), changes in management in response to Management Spans & Accountability (MSA) guidelines, and moving the service to a different customer service model in tandem with the move toward an Orbis shared service operating model. New model assumes some income generation through charged for advice and support for one-off projects e.g. grant funded or modernisation projects (funded through capital flexibilities).	Delivery Risk: Provided effective financial controls can be put in place and non-compliance is minimised (through enforcement if necessary), risks may be kept to a minimum. An inability to fund support for special, efficiency, and/or modernisation projects from other sources is likely to impact on availability of advice and therefore delivery of projects.	141	141	50	58
	Financial Accounts				Production of financial statements is statutory but the government is continually bringing forward statutory deadlines for completion. This in turn drives the need for automation and more efficient production.	Financial Statement production has the potential to be highly automated and the focus will be on continuing to drive efficiency in this area alongside reviewing Management Spans & Accountability. As an invest-to-save approach, an increased focus on identifying and recovering monies through effective reconciliation and monitoring of the balance sheet will provide a small (net) increase in funds.	Delivery Risk: Learning from best practice authorities and liaising with external auditors will be key to minimising risk to effective production and adverse auditor opinion on the accounts.	57	50	20	23
	Corporate Financial Services				Transactional services (e.g. payment of suppliers, systems, and income collection) will need to benchmark at below average cost or better and compare favourably to outsourced models. The Orbis partnership offers the potential for economy of scale and investment in improved IT solutions.	Further efficiencies will be sought through automation, BPI, possible alignment with other transaction services across the council and, in later years, alignment with Orbis partners.	Delivery Risk: Risk should be low provided effective financial controls can be put in place and non-compliance is minimised (through enforcement if necessary).	110	125	63	73



Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2017-18
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FINANCE &amp; RESOURCES</b>											
	Corporate Financial Services				An additional saving to that above will be targeted on the transactional (accounts payable) service to contribute to closing the council's budget gap.	Although challenging, this service can look at possible processing changes to accommodate the saving but care will be needed to avoid impacting on the speed of payments and the reputational, legal and financial risks this can create.	Delivery Risk: Significant savings have already been taken from the service in each of the last 4 years because it is a transactional area where continuous improvement and efficiency drives through process re-engineering are possible. If this further reduction in accounts payable resources is not managed successfully, this may lead to a poorer service, slower payments and a consequent impact on supplier cash flows, and therefore increased risk of reputational damage, legal challenges and late payment charges.  Impact on Outcomes: A diminution in service (e.g. slower payments, slower set up of suppliers, poorer email or telephone customer service) can impact on reputation and supplier relationships. This may result in suppliers being unwilling to contract with the council in future.		25		
	Strategic, Corporate & Treasury Services				These are strategic advisory services that are important to retain and align closely with strategic planning processes (e.g. budget setting, investment strategy, MTFS production, etc). Service will be part of the shared service partnership with Orbis.	This area is not recommended for significant reduction given the financial outlook for the authority but some efficiency may be possible through either BPI or, in later years, through the Orbis partnership.	Delivery Risk: Key risk is resilience of the function as the importance of strategic financial planning and advice increases with the complexity of the financial situation.			27	
Insurance	Insurance	109	100	3.6	A small but effective unit where costs will continue to be reviewed to ensure VFM. Service will be part of the shared service partnership with Orbis.	Commission income to be received for administering the insurance account for commercial properties on behalf of the insurance company.	Delivery Risk: Low risk	9	100		

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FINANCE &amp; RESOURCES</b>											
Internal Audit	Internal audit	654	615	12.3	IA is a statutory service providing assurance in internal control environment and support to service managers. Corporate fraud is a non-statutory service that reduces the council's costs by preventing and detecting fraud. Service will be part of the shared service partnership with Orbis.	Reduce costs per day through shared service with Orbis (through economies of scale and winning work). Reduce number of days to deliver audit plan and corporate fraud work. Ensure HRA is charged fairly for HRA counter fraud work	Delivery Risk: Expected income levels are not realised and so costs are higher than expected.  Impact on Outcomes: (1) Potential reduction in the support for services to improve internal control and prevent fraud & corruption and loss of income through loss, error and fraud. Expect to mitigate this through greater focus on risk and applying learning from other local authorities. (2) Increased cost to HRA to more accurately reflect amount of HRA counter fraud work	64	92	40	26
<b>Finance Total</b>		<b>12,910</b>	<b>10,931</b>	<b>324.0</b>				<b>810</b>	<b>1,082</b>	<b>446</b>	<b>408</b>
<b>FINANCE (TAX BASE SAVINGS)</b>											
Revenues & Benefits - Tax Base Savings	Council Tax base - Council Tax Reduction scheme				The central government grant for the Local Council Tax Reduction Scheme is reducing year on year and placing additional financial pressure on the council. It is proposed to introduce a revised local scheme to reduce some of this pressure and offset the expected extra expenditure that will fall onto the scheme when Government welfare reforms begin to impact from 2016.	The Service consulted on a revised proposal for 2017/18. The outcome of consultation is that a recommended revised scheme for 2017/18 will be submitted to members in December.	Delivery Risk: It is anticipated that further alterations will need to be made by the council in successive years. There is risk that the cumulative effect of the welfare reforms will impact customers propensity to pay council tax and that estimates factoring this in may prove to be inaccurate. Economic conditions will clearly be an important factor.  Impact on Outcomes: Minimal impact anticipated subject to economic conditions and management of welfare reform impacts.  See EIA 31..	540	250	250	250
Revenues & Benefits - Tax Base Savings	Council Tax base - collection				The service is continuing on its improvement programme and it is anticipated that this will ultimately result in improved council tax collection performance.	The service has been set a stretch target of 0.05% improvement in ultimate collection each year.	Delivery Risk: Council Tax collection may be affected by welfare reform impact or economic conditions differently than forecast.  Impact on Outcomes: As the measure takes several years to fruition it is difficult to be certain of the outcome.	57	57	57	57

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2017-18	2018-19
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FINANCE &amp; RESOURCES</b>											
Revenues & Benefits - NNDR Administration	Administration of Business Rates collection	216	(333)	7.9	The collection of Business Rates is statutory. The focus on performance improvement relates to increasing the tax base, which while financially beneficial to the authority, falls outside of the revenue budget. This service is being considered as part of the Support Function Review.	Local Authorities can award Discretionary Rate Relief (DRR) of up to 20% on properties already subject to a mandatory 80% relief because they are wholly or mainly used for charitable purposes. Registered Community Amateur Sports Clubs are similarly eligible. The council can also grant 100% discretionary relief for a property if it is occupied by an organisation that is not established or conducted for profit. The proposal is to be more stringent in these awards to minimise expenditure.	Delivery Risk: The risks associated in this proposal although not financially high are complex and need to be considered in the light of revised corporate priorities during the 4 year budget saving process. The proposal is for the second year to allow for appropriate consideration and consultation.  Impact on Outcomes: No impact on outcomes anticipated.		24		
					Additional increase to the tax base outside of the Revenues Budget.	Further review the criteria for Discretionary Rate Relief with a view to reducing the amount of the overall award.	Delivery Risk: The risks are as per above but as the discretionary fund decreases the impact widens. The beneficiaries of the discretionary scheme are mostly charitable organisations		10		
Revenues & Benefits - Tax Base Savings	Business Rates base - collection				The service is continuing on its improvement programme and it is anticipated that this will ultimately result in improved NNDR collection performance.	The service has been set a stretch target of 0.05% improvement in ultimate collection each year.	Delivery Risk: NNDR Tax collection may be affected by changes to government relief schemes, the 2017 revaluation of rateable values and economic conditions.	27	-	-	-
<b>Finance (Tax Base Savings) Total</b>		<b>216</b>	<b>(333)</b>	<b>7.9</b>				<b>624</b>	<b>341</b>	<b>307</b>	<b>307</b>
<b>HUMAN RESOURCES &amp; ORGANISATIONAL DEVELOPMENT</b>											
Head of Human Resources & Organisational Development	Leadership of HR	119	100	1.0	Continue to support modernisation programme and implement optimum service delivery methods and alternative models of delivery to drive efficiency.	Linked to Support Functions review and Orbis.	Delivery Risk: Service demands do not change and reduction of resource is delayed.  Impact on Outcomes: No impact on outcomes anticipated.			100	
Organisational & Workforce Development	Courses	1,413	1,358	23.1	The rationale is a combination of stopping funding for some qualifications, increasing income using the new learning management system and deleting current vacancies	As part of service review define service offer to organisation and resource required to deliver. Use of in work apprenticeship to replace qualifications where appropriate	Delivery Risk: Year 2 savings assume that DfE grant funding is still paid to BHCC.  Impact on Outcomes: The introduction of the new Learning Management System (LMS) has allowed for a planned and sustainable reduction in admin staff. The new LMS has also created some genuine new income. In addition other savings have been made with grant income and workforce planning activities in relation to SW practice educators.	161	175	65	85
	Qualifications										
	ELearning										
	Workforce strategy										

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FINANCE &amp; RESOURCES</b>											
	Courses - non attendance and fees increase				Increase target from fees for non-attendance at courses and implement new course fees.	Linked to improved functionality and scale of customers in the new LMS	Delivery Risk: This income would be reinvested to other course development and delivery so will be a direct reduction to training activity. This will be in addition to the other reductions and consequences on the current training programme as above .  Impact on Outcomes: This income would be reinvested to other course development and delivery so will be a direct reduction to training activity. This will be in addition to the other reductions and consequences on the current training programme as above .		32		
HR Business Partnering	HR Business Partnering Support	131	130	6.6	As part of service review define service offer to organisation and resource required to deliver. Service is part of the Support Function review.	Minimal saving as this is a key modernisation and change support team.	Delivery Risk: None.  Impact on Outcomes: None.	-		-	-
Occupational Health & Wellbeing	OH Contract (Team Prevent)	232	(24)	0.6	Continue to operate as a contract to achieve best value. In March 2017 the current OH contract comes to an end, award of the new contract will be determined on quality of service & a pricing model that demonstrates VFM & that further savings can be made.	Remove staffing budget. Aim to make contract self funding.	Delivery Risk: Actions from attendance management action plan & year 2 of the cultural change programme are dependent on competence and willingness of staff to create the change required.  Impact on Outcomes: Develop a rehabilitation programme for staff, such as a temporary redeployment procedure that ensures staff who are not fit to do their substantive role but are fit to do sedentary duties can remain at work but are placed in supernumerary roles (decreasing role demand or pressures in identified areas) or in vacancies, therefore decreasing potential agency/employee or sickness absence costs.		25		
	Wellbeing				Income generation opportunity.	Self financing staffing cost from income.	Impact on Outcomes: No impact on outcomes anticipated.	-		-	-
	Services to schools		76	(2)		No change proposed.					
HR Policy & Projects	HR Policy & Projects	106	80	7.5	Review policy approach to enable self-service. Rationalise and simplify policy and guidance.	Service is part of Support Function review. Deletion of Sc6 vacancy.	Impact on Outcomes: No impact on outcomes anticipated.	32		23	23

Service Area					Service & Financial Strategy			Savings Detail			
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		2016-17	2016-17					2016-17	2016-17	2016-17	2017-18
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FINANCE &amp; RESOURCES</b>											
	Pay and Reward	172	172	6.0	Introduce job families over next 2/3 years to reduce requirement for lengthy Job Evaluation processes and appeals.	Service is part of Support Function review. Redesign of job evaluation support.	Delivery Risk: Potential resistance from services focussing on change management.  Impact on Outcomes: No impact on outcomes anticipated.				
HR Operations	Recruitment	115	86	7.1	Reductions arising from vacancy slowdown and reducing size of organisation.	Deletion of 1 FTE vacancy.	Impact on Outcomes: No impact on outcomes anticipated.	-	12	9	7
	Establishment/Vacancy control	37	28	3.0	Potential for savings via income budgets and turnover across HROD.	Review all transactional processes.	Impact on Outcomes: Reduce service capacity as turnover impacts - managers in services will need to self service and use the HR information system and intranet.	75			7
	Payroll & Pensions	125	94	8.4	Service is part of Support Function review.	Potential for staffing efficiencies in later years through Support Function review model.	Impact on Outcomes: No impact on outcomes anticipated.				14
HR Advisory	HR Employee Relations advice	270	200	14.8	Service review to reduce service and improve online and telephone guidance for managers to undertake workforce interventions without direct support from caseworkers.	Staffing efficiencies through service redesign.	Delivery Risk: Potential for increased tribunal costs if managers' do not follow correct actions and advice.  Impact on Outcomes: No impact on outcomes anticipated.	-	45		25
HR Schools Service	HR Schools & Other External Service	289	218	15.3	Reviewing as part of 'services to schools' offer to retain buyback from schools, seek new custom and develop cost model that secures income over resourcing. Part of Support Function review.	Move towards full income generated model but this could mean an additional 25% charge to schools.	Delivery Risk: Financial pressures on schools may impact on buy-back.  Impact on Outcomes: Dependent on schools' financial health and continued quality of service.				
Health & Safety	H&S Advice, Assurance & Compliance	306	301	12.2	In-house provision reduces unnecessary cost by assisting in the management of risk by ensuring proportionate allocation of resources (ie) asbestos and fire safety management. Part of Support Function review.	Delete post currently vacant. Undertake a service redesign and create toolkits for services to operate on self service. Explore opportunities to provide more services to other public and private sector organisations Explore services that can be provided via an associate model.	Delivery Risk: Schools may not buy back service which will reduce the team and may affect service to other schools.  Impact on Outcomes: Impact will be minimal as training will be provided to duty holders & H&S team to support compliance activity & refocus service priorities.	31	-	10	10
	Training (commissioned & internally delivered)	71	71		Further explore opportunities to sell more services to other public and private sector bodies.	Income generation opportunity.	Delivery Risk: Dependent on market conditions.  Impact on Outcomes: No impact on outcomes anticipated.	19	10		10
	Health & Safety Services to Schools	144	-		Further explore opportunities to sell more services to other public and private sector bodies	Income generation opportunity.	Delivery Risk: Dependent on market conditions.  Impact on Outcomes: No impact on outcomes anticipated.		5		

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2017-18	2018-19
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FINANCE &amp; RESOURCES</b>											
Trade Union		200	145	5.5	Facility time will be benchmarked with other similar authorities to ensure costs remain proportionate, reasonable and affordable as the authority reduces its staffing over the 4-year period.	A proportionate reduction is proposed to reflect reductions in other services and move to local rather than full time corporate release model of facilities.	Delivery Risk: Both unions currently provide financial contributions to the facilities budget to reflect the extended corporate facilities resource; this may be reduced/stopped and the impact on the budget will need to be re-assessed. Unions have often supported at meetings outside of formal processes and this has evolved as usual practice. Reversing this practice will require negotiation.  Impact on Outcomes: With the reduction of corporate facilities time, workplace representatives will have to be released to attend to reasonable duties and local managers will need to plan this for backfilling as necessary.	17	50		
<b>Human Resources &amp; Organisational Development Total</b>		<b>3,806</b>	<b>2,957</b>	<b>111.1</b>				<b>335</b>	<b>354</b>	<b>207</b>	<b>181</b>
<b>ICT</b>											
ICT Management Team	Senior ICT Management of Department	504	504	8.0	Service is non-statutory with a mixed supply market available from commercial and public providers. Integration into Orbis Shared Service is the agreed approach, with savings only possible through early integration of services both technically and through resourcing. Integration needs to happen in 17/18 to achieve both early savings and maintain resilience of service despite significant demand pressure.	Reductions in senior managers through integration into Orbis, with early reduction in 17/18 prior to budget pooling through deleting vacant post and early management integration with some redistribution of management accountabilities to remaining heads of service.	Delivery Risk: Capability and capacity to support change and operational risk in BHCC will be weakened, reduced ability to meet demand from services for modernisation and efficiency gains.  Impact on Outcomes: Loss of Senior Management posts increases pressure on middle management and remaining senior managers while Orbis integration happens. Initial slow pace of Orbis integration creates risk.		83	98	63

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016-17	Net budget 2016-17	FTEs 2016-17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FINANCE &amp; RESOURCES</b>											
Infrastructure Engineering	Wide Area Network (WAN), Local Area Network (LAN), Security, Server & Storage hosting, Virtualisation	410	410	10.0	As above	WAN is already shared service with ESCC, some further cost reductions in overheads through reduced client function costs and shared Data Centre (DC) connectivity costs with ESFRS and through site reductions achievable. Cost reductions through technical & contract consolidation and shared staff services. ICT service redesign has already reduced staffing costs. Savings are through vacancy management and Orbis integration. Note that savings areas and levels between ICT sections may vary as Orbis integration co-design work takes place.	Delivery Risk: High without Shared Service as cannot achieve economies of scale and reduced staff numbers will directly reduce service levels.  Impact on Outcomes: Assumes vacancy churn rate of 5% and downturn in certain project related work following Workstyles & ICT Infrastructure Programme. See risk section for further details of risk that downturn in work will not now happen.	35	47	21	
Customer Experience	Service Desk, Customer Solutions & Problem Management (& printing)	990	990	27.0	As above	Following the ICT Service Redesign, vacancy management including holding or deleting posts and part posts, will be used to reduce costs in-year through 17/18 ahead of integrating services in 18/19. Further savings from 18/19 onwards will come through Orbis integration. Note that savings areas and levels between ICT sections may vary as Orbis integration co-design work takes place, but will include reduction in held vacancies and integration of management and teams.	Delivery Risk: High without Shared Service as cannot achieve economies of scale and reduced staff numbers will directly reduce service levels.  Impact on Outcomes: Assumes retirements and vacancy churn rate of 5%.	93	100	70	
Business Solutions	Social Care, Education, Housing	383	383	10.0	As above	As above	Delivery Risk: As above.  Impact on Outcomes: Assumes vacancy churn rate of 5% including flexible retirement and removal of vacancy.	18	79		30

Service Area					Service & Financial Strategy			Savings Detail			
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		2016-17	2016-17					2016-17	2016-17	2017-18	2018-19
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FINANCE &amp; RESOURCES</b>											
Digital & Data	Digital, Data and Location Systems Support	654	634	18.0	As above	Cost reductions over time through technical & contract consolidation and shared services. Significant growth in demand through Digital First and other digital service requirements mean no possibility of savings in first two years. Savings from 19/20 following integration into Orbis. Note that savings areas and levels between ICT sections may vary as Orbis integration co-design work takes place, but will include reduction in held vacancies and integration of management and teams.	Delivery Risk: Medium				30
Platform Engineering	Platform Engineering	410	410	9.0	As above	Service area remains under resourced with demand increasing through both Digital First and Information Governance demands. No early scope for savings. Note that savings areas and levels between ICT sections may vary as Orbis integration co-design work takes place, but will include reduction in held vacancies and integration of management and teams.					
Information Governance	Records Management, Information & Cyber Security, and Data Protection	339	339	8.0	As above	As above	Delivery Risk: High, increasing cybersecurity threats pose significant risk.	42			
Business Alignment	Business Engagement, Analysis	235	215	6.0	As above	Following the ICT Service Redesign, vacancy management including holding or deleting posts and part posts will be used to reduce costs in-year through 17/18 ahead of integrating services in 18/19. In addition targeting of resource to Digital First will increase income. Further savings from 18/19 onwards will come through Orbis integration. Note that savings areas and levels between ICT sections may vary as Orbis integration co-design work takes place, but will include reduction in held vacancies and integration of management and teams.	Delivery Risk: Medium. Impact on Outcomes: Increase in income from investment and reduction in business analysis capacity , reduced ability to assess new change work outside of investments, mitigation is through shared resource spread across Orbis and assumes vacancy churn rate of 5%.	28	55	43	



Service Area					Service & Financial Strategy			Savings Detail			
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		2016-17	2016-17					2016-17	2016-17	2017-18	2018-19
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FINANCE &amp; RESOURCES</b>											
Change Portfolio	ICT Consultancy & PMO	260	235	6.6	As above	As above	Delivery Risk: Medium.  Impact on Outcomes: Impact through reduced core ICT project management capacity, mitigation is through shared resource spread across Orbis and assumes vacancy churn rate of 5%		55		
Enterprise Architecture	Architecture & Solution Design	132	132	2.8	As above	Service area remains under resourced with demand increasing through Digital First, Orbis Integration and ASC & Health integration agenda demands. No early scope for savings. Note that savings areas and levels between ICT sections may vary as Orbis integration co-design work takes place, but will include reduction in held vacancies and integration of management and teams.	Delivery Risk: Medium.				
ICT Schools & Traded Services	ICT Schools & Traded Services	1,190	(50)	23.0	Service is cost neutral or surplus generating. Aim would be to achieve full cost recovery of support costs and year on year small income increases.	Following the ICT Service Redesign, vacancy management including holding or deleting posts and part posts will be used to reduce costs in-year through 17/18 ahead of integrating services in 18/19. Continued growth in trading income while consolidating offers through shared service. Opportunities through new markets (geographical and market sector). Potential inclusion in service redesign reducing costs and simplifying for alignment to shared service, while increasing income.	Delivery Risk: High as market is increasingly competitive and schools funding is now very challenging. Joining Orbis removes one area of competition and provides complementary skills and capacity, however schools more likely to reduce optional spend.  Impact on Outcomes: More aggressive stance seeking income, risks relationships with some schools, putting overall income stream at risk. Includes significant focus on nursery and independent sector which has been slowed to date to allow for combined Services to Schools offer, also assumed vacancy churn rate of 5%.	30	113	62	65

Service Area					Service & Financial Strategy			Savings Detail			
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		2016-17	2016-17					2016-17	2016-17	2017-18	2018-19
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FINANCE &amp; RESOURCES</b>											
Managed On Behalf Of	Contracts & Contract/Budget Management	3,051	3,051	2.8	As above	Shared Service presents opportunities for reduction of costs through economies of scale.	Delivery Risk: High, risk that lack of commercial skills and capacity will lead to financial risks on contracts.  Impact on Outcomes: Contract consolidation across multiple technology areas. But demand for services may outstrip ability to drive savings within contracts, Reduction in contract management and supplier management, mitigation is through shared services within Orbis and stronger skillsets in management. Also impact on staff by reduction in desk telephony in favour of existing mobiles. Risk that resistance to change leads to problems in removing landline numbers.	188	125	100	100
<b>ICT Total</b>		<b>8,558</b>	<b>7,253</b>	<b>131.2</b>				<b>434</b>	<b>657</b>	<b>394</b>	<b>288</b>
<b>CORPORATE SERVICES</b>											
Concessionary Bus Fares	Concessionary Bus Fares Scheme	10,895	10,895	-	Statutory reimbursement based on national formula and maintain discretionary elements of the scheme (9am - 9.30am and 11pm to 3.59am weekdays)	Maintain option of fixed deal where this provides Value for Money to minimise impact of growth in trips and increasing cost. Lower inflation and lower growth in trips means the planned budget can be reduced	Delivery Risk: Fixed deals can provide certainty for both parties. Without this there are significant financial risks.	240	250	100	-
Concessionary Bus Fares	Taxi Voucher scheme	38	38	-	This is a discretionary service provided by the council	Maintain a level of funding to provide taxi vouchers for those entitled to concessionary travel but are unable to use a bus because of a disability.		-	-	-	-
Financing Costs	Debt and investment interest	5,110	3,446	-	Service is provided through a combination of professional advisors and in house treasury management	Proactively review debt portfolio to bring down average cost	Delivery Risk: Interest rate changes.				
Financing Costs	Minimum Revenue Provision (MRP)	7,376	3,391	-	Service is provided through a combination of professional advisors and in house treasury management	MRP statement and strategy amended to reprofile MRP costs in 2015/16 and these changes are reflected in the projected budgets up to 2019/20	Delivery Risk: External Audit challenge MRP assumptions although this risk is considered minimal.	-			
Contingency & Risk Provisions	Risk Provisions & other contingency items	3,504	3,504	-	Level set annually at budget council.						
Insurance	Premiums	1,756	1,756	-	Premiums are third party payments that are regularly reviewed and re-procured.	Balance the cost of premiums and levels of excess for VFM. Absorb the increase in Insurance premium tax	Delivery Risk: Insurance market can be volatile. Claims history can change as council services change risk levels.	-	-	-	-
Insurance	Excesses/deductibles/self insurance	1,473	1,473	-	Premiums and excesses need to be viewed together	Need to balance the cost of premiums and levels of excess for VFM		-	-	-	-

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016-17	2016-17					2016-17	2016-17	2016-17	2017-18
		£'000	£'000					£'000	£'000	£'000	£'000
<b>FINANCE &amp; RESOURCES</b>											
Corporate Pension Costs	Corporate Pension Costs	2,371	2,371	-	Statutory requirement to pay for historic retirement decisions of former employees that included added years.	Review liabilities annually to take account of reducing former employees who received this benefit	Delivery Risk: Annual inflationary increases to pensions are more than the reduction in liabilities.	16	95	16	16
Carbon Reduction Commitment (CRC)	Carbon Reduction Commitment expenditure	210	210	-	Statutory requirement to purchase allowances for carbon emissions	Phase 2 of the CRC ends in 2018/19. Use pre purchased allowances over the next 3 years alongside the recurrent budget.	Delivery Risk: Allowances increase by more than inflation and carbon emissions do not reduce.	150	-	-	-
Levies & Precepts	Levies & Precepts including: Sussex Inshore Fisheries & Conservation Area, Environment Agency and Enclosure Committees	172	172	-	Statutory requirement for external organisations to raise a levy / precept on the authority.	Set by external organisations.		-	-	-	-
Unringfenced Grants	Unringfenced grants including: S31 Business Rates Retention (BRR) Scheme, New Homes Bonus, Education Services, PFI Grants and Housing Benefit Admin Grants.	-	(15,495)	-	Set by government	S31 BRR Scheme grants offset against the BRR Scheme income. The majority of the remaining grants are likely to be reduced and pressure funding has been allocated.		-	-	-	-
						Additional saving of £0.139m from senior management and related support.		104			
	CORPORATE SAVING				Complementary to the Management Spans & Accountability (MSA) principles used to challenge management costs, a similar approach to reviewing administrative and personal assistant support to management will be undertaken.	A review of executive and personal assistant support to Chief Officers, Corporate Management Team and potentially lower management tiers will be undertaken to ensure optimum use of current technologies, review working practices, pool resources and achieve staffing reductions. A target of £0.100m on estimated staffing of over £0.600m is considered achievable.	Delivery Risk: The key risk is clearly that senior managers spend time on administrative tasks rather than on higher value work.  Impact on Outcomes: No impact on service expected.		100		
<b>Corporate Services Total</b>		<b>32,905</b>	<b>11,761</b>	<b>-</b>				<b>510</b>	<b>445</b>	<b>116</b>	<b>16</b>

## Strategy, Governance & Law

### Budget Strategy 2017/18 to 2019/20

#### Services and Responsibilities

Strategy, Governance & Law's purpose and mission is to help the council in setting its strategy and priorities, enabling delivery of those priorities and monitoring performance. It also supports the democratic process in terms of elections and decision-making. It has a significant element of delivering front line services through Life Events (registrars, bereavement services and local land charges). The different services comprised in the directorate are:

**Legal Services (net budget £1.3m)** - this service provides legal advice and representation to the council as well as the Monitoring Officer function. It is a high performing service (winning Legal Team of the Year award for governance & people related services last year.) The benchmarking data has consistently shown it to be at least above average in all areas in terms of value for money. The team includes the Safeguarding Team, which supports adult and children's safeguarding functions.

**Democratic and Civic Office Services (net budget £1.5m – including Members Allowances)** - this service provides support to Members generally, is responsible for the co-ordination and administration of the decision-making process, Member training, administering of School Appeals and the Members' allowances scheme. It also includes responsibility for the Mayor's Office, (including the Lord Lieutenant) and the Leadership Support.

**Policy & Partnerships (net budget £0.389m)** - this includes the Policy, Partnerships and Scrutiny teams. The partnership service is part funded by partners in the City and supports Brighton & Hove Connected as well as a number of initiatives in co-ordination with partners in the city.

**Life Events (net budget £0.027m, gross budget £3.5m)** – this includes Electoral Services, Local Land Charges, Registration and Bereavement Services. As the net budget figures indicate, it is largely funded from income generated from fees and charges. The service has delivered significant savings over the last year, when it experienced significant challenges, including 3 elections, significant staffing changes and competition from alternative providers.

**Performance, Improvement & Programme Management (net budget £0.809m)** - the role of this team is to drive change management, risk management and performance improvement across the organisation to minimise adverse impact of financial challenges on customers. It also has responsibility for ensuring objective resolution of customer dissatisfaction and taking strategic lead in improving customer experience through effective customer insight. The performance team drives the corporate and directorate planning and monitoring processes.

A number of modernisation projects and programmes across the organisation in all directorates are managed from the Programme Management Office which is funded largely from one-off modernisation funding. The Business Process Improvement (BPI) team is also funded through this one-off resource with a focus on conducting reviews to manage customer demand and deliver efficiencies.

**Corporate Communications (net Budget: £0.699m)** - the service provides internal and external communications support to the council. A new Head of Service was appointed in the summer and the service is going through a review to provide greater resilience, flexibility and strategy. Skills

need to be developed so there can be capacity for the team to be much more proactive, better placed to deliver services and improve standards and working to a proper plan.

Work is also needed to embed the campaign-led approach using an account management model (with a better service offered to the directorates), as well as an increased use of digital communications. The team also includes the print and design team which generates income. A new business model is being developed.

Overall there will be a move towards a more strategic approach, less focus on responding to day-to-day enquiries and more focus on engagement and communicating the more important strategic decisions.

## **Strategy and Key Proposals**

The overall approach is summarised below and includes protecting service provision where this would otherwise have a counter-productive impact (e.g. higher overall costs) on the council in the longer term.

### ***Getting basic services right and making the city an enjoyable place to live and work***

- We will continue to provide reliable and value for money bereavement, registration and electoral services.
- We will support enforcement action to tackle noise nuisance, vandalism and anti-social behaviour.
- Providing an effective mechanism for service users to raise complaints and resolve issues. As a support service, the directorate supports the council generally and the front line services in particular by keeping costs down and finding innovative, more effective ways of delivering services including:
- Help the council focus on getting basic services right by ensuring that support services remain efficient and effective. In particular:
  - Enabling clients to be more self-sufficient by providing training and resources in areas requiring less intensive expert input, and withdrawing from activities where the risk/reward assessment justifies it;
  - Exploring shared services and other collaborations, in particular, the Orbis Public Law partnership, to provide greater resilience, income generating ability and access to specialist expertise;
  - Reprioritisation and refocusing of resources based on risk assessment and optimum return on investment;
  - Maximising use of technology, for example, electronic agendas, report management, document e-bundling systems, and moving from traditional contact channels to online facilities supported by Digital First ;
  - Adopting a more commercial approach to the management of services, including exploring income generation opportunities, use of property assets, control of expenditure and better forecasting of income streams;
  - Exploring funding and resourcing opportunities for externally funded initiatives. Work with partners, business, universities, volunteers and potential donors/funders to resource initiatives that would benefit the City and the council.

## ***Protecting provision for vulnerable people as the city's population grows and the cost of care rises***

- The proposals protect the Legal Support to the council's safeguarding function which ensures the wellbeing of vulnerable children and adults. We will continue to provide legal advice and representation as well as legal support to preventative initiatives as necessary.

## ***Supporting economic growth and regeneration that benefits everyone***

- Providing Legal and Project Management support to the major infrastructure development initiatives (such as the Waterfront, King Alfred, Circus Street, etc.).

## **Key Service and Financial Risks**

**Legal Services** - the service has been working at capacity for a long time. Recently, it has seen an increase in child safeguarding referrals by as much as 70% which is in line with trends elsewhere. There has also been an increase in commercial property and procurement work. It is proposed to mitigate the risks and deliver savings by joining Orbis Public Law to provide the service with resilience, better economies of scale and the opportunity to grow/generate income as well as access to a greater pool of expertise. We will also use more electronic bundling, case management systems as well as more use of paralegal to keep costs down and generate income.

**Democratic and Civic Office Services** - the majority of the budget consists of Members' allowances and Political Assistants. When the support to the Mayoralty is taken into account, there is limited resource in the core Democratic Services Team which has had post reductions in the last 3 years. The opportunity has been taken to move to digitisation of services, including electronic agenda, web casting, use of apprentices and reductions in overheads.

**Policy & Partnership** - the scrutiny Team has been reduced to the minimum necessary to comply with legal requirements. The Policy Team achieved savings of £0.169m last year and is now operating at a basic level. The support it can offer is therefore limited. We will try to maximise the benefits of working through Better Brighton & Hove. We have established a corporate policy network with representatives from each directorate and are about to implement a "hub and spoke" model with a small core policy team. We will refocus and integrate the work of the scrutiny team to support policy development.

**Life Events** - this budget, especially Bereavement Services, is highly dependent on changes in the number of deaths and the number of cremations as well as other factors which make confident budget projections difficult. The proposal is to increase the fees and charges, rationalise the officer arrangements to drive out efficiencies and reduce costs wherever possible. The increase in fees and charges needs to be approved by PR&G Committee and some of these, especially those related to burials and cremations, are likely to be contentious and if agreed may impact on the ability to compete with other providers.

**Performance, Improvement & Programme Management** - the service is critical to the achievement of the council's objectives in terms of modernisation, delivery of savings and customer satisfaction. This is more important now at a time of budgetary challenge and when the council is having to take more challenging steps that carry greater risks. The service is at the heart of ensuring corporate governance to evidence organisational grip. The consequences of reducing the funding include reduced governance, reduced personalised support for directorates and reduced support for customers handling their dissatisfaction.

**Corporate Communications** - at a time when the council is going through a period of making significant changes to services, communications with the public and the workforce are absolutely

essential. The Digital First initiative, including the redesign of the council's website, My Account and other avenues will be used wherever possible and we will continue to explore better and more effective ways of communicating with the public and the workforce.

Department				Savings Detail			
Department	Gross budget 2016/17	Net budget 2016/17	FTEs 2016/17	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
	£'000	£'000		£'000	£'000	£'000	£'000
	Corporate Policy	919	836	12.1	167	60	40
Democratic & Civic Office Services	1,627	1,575	15.0	85	54	32	29
Legal Services	1,800	1,312	46.2	105	120	59	40
Life Events	3,506	27	53.6	212	151	40	60
Performance, Improvement & Programmes	1,457	809	32.7	46	113	48	26
Communications	759	669	22.1	140	76	61	46
<b>Total Strategy, Governance &amp; Law</b>	<b>10,068</b>	<b>5,228</b>	<b>181.7</b>	<b>755</b>	<b>574</b>	<b>280</b>	<b>211</b>

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget 2016/17	Net budget 2016/17	FTEs 2016/17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
		<b>STRATEGY, GOVERNANCE &amp; LAW</b>									
<b>CORPORATE POLICY</b>											
Chief Executive	Chief Executive	254	254	1.0	This small budget supports the salary and work of the Chief Executive Officer, his PA and the running costs of his office.			-	-	-	-
Leadership & Civic Support	Civic Mayors Office/ Mayors Allowances/ Political Admin Support	213	193	4.8	Service redesign to be undertaken.	Service review to explore how further efficiencies can be achieved through pooled working across service areas and service modernisation.	Delivery Risk: Costs may re-emerge if service continuity is not secured. Impact on Outcomes: No impact on outcomes expected.	63			
Corporate Policy (Policy development, Brighton & Hove Strategic Partnership, overview & scrutiny team)	Policy & Partnerships	452	389	6.3	Non statutory. However important to have effective policy, scrutiny and partnership functions to ensure efficient and effective long term planning and joint working with city partners.	Savings through restructure + reducing non-staffing budget + eliminating initiatives budget. This service has seen a significant reduction in capacity last year (£0.169m).	Delivery Risk: None anticipated. Impact on Outcomes: Medium/high impact as fewer resources to do proactive work.	104	60	40	10
<b>Corporate Policy Total</b>		<b>919</b>	<b>836</b>	<b>12.1</b>				<b>167</b>	<b>60</b>	<b>40</b>	<b>10</b>



Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016/17	2016/17					2016-17	2017-18	2018-19	2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>STRATEGY, GOVERNANCE &amp; LAW</b>											
<b>DEMOCRATIC &amp; CIVIC OFFICE SERVICES</b>											
Democratic Services	Democratic Services	661	609	15.0	This will focus on achieving savings that have minimum impact on the support available.	Service redesign, use of information technology, rationalising supplies and services and a reduction in the offer available to support members and officers by focusing on priority areas.	Delivery Risk: The savings, especially those relating to printing, are dependent on the necessary investment and support from ICT (eg tablets for electronic agenda access.) Support for non-decision-making meetings may have to be withdrawn, with greater pressure on staff and less support to members.  Impact on Outcomes: There may be some cost-displacement to other services from reduced support to meetings. Less development support for members and a reduction in the overall support to members.  See EIA 32.	41	30	32	29
Members' Allowances	Members' Allowances	966	966	-	This is designed to achieve savings but in a way that aligns with the democratic governance arrangements.	This involves taking savings from national insurance contributions which are no longer needed together with freezing Members allowances for the forthcoming year.	Delivery Risk: These changes require agreement by the Independent Review Panel and Full Council.  Impact on Outcomes: Less room for flexibility if there is an increase in the allowances take up.  See EIA 33.	44	24		-
<b>Democratic &amp; Civic Office Services Total</b>		<b>1,627</b>	<b>1,575</b>	<b>15.0</b>				<b>85</b>	<b>54</b>	<b>32</b>	<b>29</b>

Service Area					Service & Financial Strategy			Savings Detail				
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings	
		2016/17	2016/17					2016-17	2017-18	2018-19	2019-20	
		£'000	£'000	2016/17					£'000	£'000	£'000	£'000
<b>STRATEGY, GOVERNANCE &amp; LAW</b>												
<b>LEGAL SERVICES</b>												
Legal Services	Legal Services	1,527	1,039	32.0	The proposed savings are designed to protect legal support for core, high risk priority services. They involve a substantial reduction in capacity with corresponding reduction in the support available. Legal Services will maximise income where possible and introduce an element of charging for non-core services. A careful balancing act will be needed to ensure the exposure to risk is commensurate with the benefit of the savings.	The projected savings for 2017 will be achieved from a combination of a reduction of services and staffing, trading and charging. The projected savings for 2018 onwards will be achieved from within the Orbis Public Law partnership or, if the Orbis option is not agreed, a combination of trading, a reduction in services and staffing and charging for non-core services. The preferred approach is for the service to formally join Orbis Public Law. This will give greater resilience, economies of scale and an opportunity to trade, enabling the support of priority services and objectives.	Delivery Risk: Reduction in legal advice and representation at a time when demand is likely to rise (especially during the first 2-3 years where the likelihood of legal challenge is the highest and the need for legal advice is increasing) poses significant risk. For example, employment law support may be reduced for ET representation, contract support limited to high value contracts (eg >£0.350m), non funded areas of advice stopped (eg recovery of care home charges) and the preventative advice reduced. The proposal to join Orbis Public Law has the potential to mitigate some of the impact of this. However, the Orbis Public Law option also requires savings levels to be agreed between authorities and it is not clear if the others will accept a 30% saving.  Impact on Outcomes: This will adversely impact on the service's ability to provide robust legal support. It will mean the service will increasingly focus on reactive legal input rather than enabling and preventative advice and support. For example, focus on litigation\ET cases rather than proactive support at early stages of a matter. Advice to member panels and procurement support will be limited to high value contracts. Non funded areas of work will cease or be significantly reduced (eg community safety; recovery of care home charges).	101	120	59	40	

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016/17	2016/17					2016-17	2017-18	2018-19	2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>STRATEGY, GOVERNANCE &amp; LAW</b>											
Safeguarding & Advice (Children & Adults)	Safeguarding & Advice (Children & Adults)	273	273	14.2	This is a critical service funded largely directly by the clients (Children and Adults). It is therefore not proposed to reduce the budget beyond the proportion attributable to the core funding of the service and where there is less impact.	It is proposed to review the provision of the service as part of the Orbis Public Law initiative and savings realised consistent with the need to ensure support for the safeguarding function. This will include looking at opportunities for efficiencies e.g. an in-house advocacy service. If the Orbis option is not agreed, reprioritisation will be undertaken, but it is unlikely that significant savings can be made here without a disproportionate increase in risk. A commercial approach will be taken where possible for example undertaking paid for DoLS work for the CCG and proposing a buy back offer for services to schools.	Delivery Risk: Any significant reduction in resources will impact on the council's ability to discharge its safeguarding obligations at a time where there is a national trend of significant increase in care proceedings. This risk applies to all options but may be mitigated with Orbis Public Law option as it increases resilience, in particular through considering the use of in-house advocates more widely.  Impact on Outcomes: There will be some impact on the legal capacity as demand has continued to increase. The numbers of proceedings issued have significantly increased for both adults and children's.	4	-	-	-
<b>Legal Services Total</b>		<b>1,800</b>	<b>1,312</b>	<b>46.2</b>				<b>105</b>	<b>120</b>	<b>59</b>	<b>40</b>
<b>LIFE EVENTS</b>											
Life Events	Crematorium	430	(874)	3.0	Regularly review cremation fees and charges using benchmarking from other Local authorities, taking account of all unit costs.	Regular fee and charge increases in line with local area and business requirements, and reviews of unit costs. For 2017/18 it is proposed to maintain cremation fees and charges at current rates, and accept a cost of living increase of around 2% for the new financial year, but not go any higher	Delivery Risk: Cremation no's need to be maintained. Can be affected by competitor activity and mortality rates.  Impact on Outcomes: No impact expected. Option of fee and charge increases are a risk, as this can be contentious.	50	-	-	-
Life Events	Welfare Funerals	107	17	1.0	Review of provision of welfare funeral services to operate in a different way and explore reducing staff costs and operating costs. Potential use of external company for searches for next of kin may reduce need for public health funeral.	Changes to delivery of welfare services - involving outside company considerations.	Delivery Risk: Changes to service delivery are potentially high risk and need to be explored further - including reputational risk with stakeholders.  Impact on Outcomes: There will be a review of Welfare Funeral services that will include options to assist those experiencing funeral poverty, by introducing affordable funeral packages / options. Customer engagement with FDS necessary.  See EIA 34.	10	10	-	-

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016/17	2016/17					2016-17	2017-18	2018-19	2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>STRATEGY, GOVERNANCE &amp; LAW</b>											
Life Events	Coroners Transfer Service	525	525	7.0	Consider review of service and tender to a Funeral Director service instead of using in-house staff team from mortuary.	Review of service to work in a different way and consider external Funeral Director service to provide CTS service. This is common practice across other local authority services.	Delivery Risk: Obtaining contract with reputable FD who meets Coroner's requirements.  Impact on Outcomes: Potential for changes but short-term cost likely as there will be pay protection compensation issues to cover, prior to setting up new arrangements. Not as straightforward as simply procuring a new contract with a FD.  See EIA 34.	5	5	-	-
Life Events	Memorialisation	72	(60)	1.0	Introduction of new products and development of existing products.	Increase in sales through product review to increase range of products and promote existing products.	Delivery Risk: Ineffective skills development could impact on savings.  Impact on Outcomes: No impact on service expected.  See EIA 34.	5	5	15	15
Life Events	Bereavement Management, Cemeteries and Mortuary	943	458	12.6	To increase work / shift patterns to enable increased service delivery.	Service redesign to increase service delivery. Removal of management post and assistant through Management Spans & Accountability Review (MSA Review). Consider extending working day to enable more cremations and offer more funeral services. This will entail additional shift work patterns. Bereavement Services - 5% increase on burials only – not increasing cremation fees due to competitor and threat to levels of business. Increased income of £0.014m.	Delivery Risk: Risks are not attaining market share we aspire to attain. Unable to invest to reach aspired service levels. Dependent on the same level of business as we currently have for burials.  Impact on Outcomes: Significant impact after none expected in year 1. Redesign is unlikely to deliver savings in terms of staffing reduction but provides opportunity for increased business. Review of working practices may present some opportunities, but not fully assessed.	137	19	20	40
Life Events	Registrars	633	(143)	17.9	Fees and charge review and regular increases backed up by benchmarking info' from other local authorities, taking account of all unit costs.	Registration services - Increase in fees and charges in line with local area and business requirements, and review of unit costs to generate £0.040m more income. This would be an increase in fees and charges for service for a 3 <sup>rd</sup> year running above cost of living.	Delivery Risk: Business volumes need to be maintained. Reliant on customer demand. Elements of statutory fees but opportunities exist for other fees. Requires PR&G Committee approval of fees.  Impact on Outcomes: No impact on service expected.  See EIA 34.	5	40	5	5

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016/17	2016/17					2016-17	2017-18	2018-19	2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>STRATEGY, GOVERNANCE &amp; LAW</b>											
						Redesign option and closure of search room – signpost to digital certificate service. Reduction in staffing levels - potential saving of £0.022m.			22		
						Combination of service enhancements including birth registration packages and wedding ceremony “packages” saving £0.020m. Existing business packaged differently. Additional work to be done to quantify exactly, but opportunities are there. Deliverable if enhancements and packages are marketed appropriately. Training for staff required.			20		
Life Events	Elections and Land Charges	796	104	11.1	TBC	Local Land Charges- An increase in the search fees by £5, to £120 generating £0.023m.	Delivery Risk: There is a risk that more people may switch to personal search.  Impact on Outcomes: No impact on service expected.	-	23	-	-
						Electoral Services - A number of small operational changes could enable a saving on significant postal charges for a process the service are able to avoid, saving £0.007m.			7		
<b>Life Events Total</b>		<b>3,506</b>	<b>27</b>	<b>53.6</b>				<b>212</b>	<b>151</b>	<b>40</b>	<b>60</b>
<b>PERFORMANCE, IMPROVEMENT &amp; PROGRAMMES</b>											
Performance, Improvement & Programmes (Permanent Budget)	Performance, Programme Management Office, Business Process Improvement, Risk, Customer Experience	809	809	18.1	Non statutory except handling customer complaints. However, important to drive continuous improvement, customer satisfaction and efficiency within the organisation.	Stop seeking ICT solution for project/programme management and stop development of performance management system as well as reduce non-staffing budget to an absolute minimum. Reduce corporate support for modernisation across the organisation . 2018/19 and 2019/20 - reduce corporate support for driving continuous improvement. efficiency and customer satisfaction .	Delivery Risk: This will result in significant adverse impact on corporate oversight of performance resulting in potentially missed opportunities to identify areas not performing well early on and delayed management action to address poor performance.  Impact on Outcomes: Low impact for 2016/17, 2017/18 and 2018/19 + medium/high for 2019/20 as less resources to do proactive work and reduced corporate assurance and governance.	46	113	48	26

Service Area					Service & Financial Strategy			Savings Detail			
Section	Service Area	Gross budget	Net budget	FTEs	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings	Savings	Savings	Savings
		2016/17	2016/17					2016-17	2017-18	2018-19	2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>STRATEGY, GOVERNANCE &amp; LAW</b>											
Programme Management Office (Temporary funding from internal modernisation fund)	Programme Management Office - building capacity across the organisation by delivering training and developing toolkits + quality assurance on behalf of the modernisation boards	648	-	14.6	Non statutory. However, important to drive modernisation initiatives across the organisation.						
<b>Performance, Improvement &amp; Programmes Total</b>		<b>1,457</b>	<b>809</b>	<b>32.7</b>				<b>46</b>	<b>113</b>	<b>48</b>	<b>26</b>
<b>COMMUNICATIONS</b>											
Communications	Communications	729	712	10.9	Service re-design is being driven by the needs of services. There is limited benchmarking information for this service area, however, information from nearest neighbours will be used to further inform the re-design and compare costs and services with others.	Introduction of a business partnering service for the council offering multi-skilled communications teams working as part of the service. Some reduction in computer maintenance budget.	Delivery Risk: Funding would be required on a project basis in later years for service demands that are over and above the core service offer.  Impact on Outcomes: Potential for improved service to the organisation, improved customer satisfaction, and development of multi skilled staffing.	125	61	46	31
Communications	Graphic Design Team	13	(3)	3.2	In-house service currently recovers direct costs through recharges but not all overheads. The aim is to increase the proportion of external business.	Aim is to cover all costs including overheads through income generation. Consideration could also be given to moving to an external commissioning model in the longer term.	Delivery Risk: Resource capacity within team may be an issue and the market for external business is untested which may reduce income opportunities.  Impact on Outcomes: No impact on service expected.	-	-	-	-
Communications	Print & Sign Unit	17	(40)	8.0	Continue to commercialise and generate greater income to contribute to overheads.	Review potential to reduce costs or increase income.	Delivery Risk: Insufficient work processed will impact on viability and therefore savings.  Impact on Outcomes: No impact on service expected.  See EIA 35.	15	15	15	15
<b>Communications Total</b>		<b>759</b>	<b>669</b>	<b>22.1</b>				<b>140</b>	<b>76</b>	<b>61</b>	<b>46</b>
<b>Strategy, Governance &amp; Law Total</b>		<b>10,068</b>	<b>5,228</b>	<b>181.7</b>				<b>755</b>	<b>574</b>	<b>280</b>	<b>211</b>

Department			Savings Detail				
Department	Gross budget 2016/17	Net budget 2016/17	FTEs 2016/17	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
	£'000	£'000		£'000	£'000	£'000	£'000
Housing Revenue Account	59,169	-	272.2	1,393	815	350	250

Service Area					Service & Financial Strategy			Savings Detail			
TBM sections	Section	Gross budget 2016/17	Net budget 2016/17	FTEs 2016/17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>HOUSING REVENUE ACCOUNT</b>											
Capital Financing	Capital Financing	31,948	31,916	-	Capital financing costs are calculated based on existing borrowing and any new borrowing anticipated during the financial year.	Capital financing charges will be reported to Housing & New Homes Committee (Jan 2017) and Policy, Resources & Growth Committee (Feb 2017).					
AD Housing Management, Service Wide Savings from Reviews, Support Service Charges	Head of Housing HRA (includes central support services and Homemove service).	3,861	3,861	17.6	The target is to aim for the cost per property for housing management services to reduce in line with the median for councils in London and the South East (ref: Housemark). Service review completed in 2016 achieved reductions of 17 FTE staffing posts in 2016/17.	A continual programme of service reviews with the aim of achieving cost savings across the HRA management and repairs and maintenance revenue budgets. Each review will follow 'lean thinking' principles. Actual savings achieved will be updated as reviews progress. 2018/19 includes a saving of £0.045m for the Homemove service to reflect future service efficiencies.	Delivery Risk: Efficiency savings may not be achieved at pace.  Impact on Outcomes: Negligible impact if service redesigns are effective.	385		250	250
Estates Regeneration	Head of City Development & Regeneration	264	264	5.1	Key political priority to deliver new council homes and this team is responsible for the delivery of the new homes for neighbourhoods programme.	No savings proposed as service redesign achieved in 2016/17.	Impact on Outcomes: Improved outcomes from new homes in the city.	37			
Income Inclusion Improvement, Rents & Service Charges	Income Involvement Improvement	4,207	(49,449)	72.3	The target is to aim for the cost per property for housing management services to reduce in line with the median for councils in London and the South East (ref: Housemark). Rents are calculated in accordance with government guidance. Service charges reflect the additional services which may not be provided to every tenant and are reviewed annually to ensure full cost recovery.	Savings from supplies and services of £0.080m. Introduction of service charge for door entry systems estimated at £0.050m to ensure cost recovery for this service.	Delivery Risk: Low risk.  Impact on Outcomes: Improved outcomes from efficiency and effectiveness.  See EIA 36	239	130	-	-
Property & Investment Management including Repairs & Servicing Contracts	Property & Investment	12,183	11,557	41.8	To improve housing quality by continuing to improve sustainability standards, maintain decent homes and health and wellbeing through effective management and procurement of repairs, maintenance and service contracts.	Savings in gas service contract following procurement of this contract which commenced in 2016/17 (£0.450m). A further review of savings that can be made from responsive repairs and other procurement opportunities (£0.120m).	Delivery Risk: Low risk - already achieved as reported in budget monitoring (TBM).  Impact on Outcomes: Improved outcomes from efficiency and effectiveness.	348	570	100	

Service Area					Service & Financial Strategy			Savings Detail			
TBM sections	Section	Gross budget 2016/17	Net budget 2016/17	FTEs 2016/17	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2016-17	Savings 2017-18	Savings 2018-19	Savings 2019-20
		£'000	£'000					£'000	£'000	£'000	£'000
<b>HOUSING REVENUE ACCOUNT</b>											
Tenancy Services	Tenancy Services	6,706	1,851	135.4	The target is to aim for the cost per property for housing management services to reduce in line with the median for councils in London and the South East (ref: Housemark).	Reduction in supplies and services including utilities (£0.070m), underutilised Decorations scheme (£0.020m) and reviews of small contracts and services (£0.025m)	Delivery Risk: Low risk - already achieved as reported in budget monitoring (TBM).  Impact on Outcomes: Improved outcomes from efficiency and effectiveness.	384	115		
<b>Housing Revenue Account Total</b>		<b>59,169</b>	<b>-</b>	<b>272.2</b>				<b>1,393</b>	<b>815</b>	<b>350</b>	<b>250</b>



## Appendix 3 – Capital Investment Programme

Capital Investment Programme – 10 Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
<b>Approved Schemes</b>										
Health & Adults Social Care	-	-	-	-	-	-	-	-	-	-
Families, Children & Learning	2,279	-	-	-	-	-	-	-	-	-
Economy, Environment & Culture	25,251	11,670	1,481	835	-	-	-	-	-	-
Neighbourhood, Communities & Housing – GF	633	658	685	712	741	770	801	833	866	800
Neighbourhood, Communities & Housing – HRA	11,931	-	-	-	-	-	-	-	-	-
Finance & Resources	2,000	2,000	-	-	-	-	-	-	-	-
<b>Identified Schemes Not Yet approved</b>										
Health & Adults Social Care	-	-	-	-	-	-	-	-	-	-
Families, Children & Learning	13,445	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Economy, Environment & Culture	8,834	107,949	111,300	27,617	6,000	-	-	-	-	-
Neighbourhood, Communities & Housing – GF	8,600	8,000	14,300	15,700	6,200	-	-	-	-	-
Neighbourhood, Communities & Housing – HRA	41,691	29,087	22,467	22,450	22,750	21,100	19,300	19,100	18,750	11,000
Finance & Resources	-	-	-	-	-	-	-	-	-	-
<b>Funding to be Allocated</b>										
Health & Adults Social Care	500	500	500	500	500	500	500	500	500	500
Families, Children & Learning	4,309	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Economy, Environment & Culture	10,934	9,519	7,419	7,419	7,250	7,250	7,250	7,250	7,250	7,250
Neighbourhood, Communities & Housing – GF	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Neighbourhood, Communities & Housing – HRA	-	-	-	-	-	-	-	-	-	-
Finance & Resources	4,900	4,650	3,700	500	500	500	500	500	500	500
<b>Total</b>	<b>136,307</b>	<b>179,433</b>	<b>167,252</b>	<b>81,133</b>	<b>49,341</b>	<b>35,520</b>	<b>33,751</b>	<b>33,583</b>	<b>33,266</b>	<b>25,450</b>
<b>Funded by:</b>										
Government Grants (non ringfenced)	24,204	8,269	8,269	8,269	8,100	8,100	8,100	8,100	8,100	8,100
Government Grants (ringfenced)	17,445	20,316	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Capital Receipts	19,740	59,820	46,300	3,150	2,875	2,875	2,875	2,875	2,875	2,875
Capital Reserves	2,001	6,258	1,185	712	741	770	801	833	866	800
External Contributions	6,099	8,745	20,981	11,600	5,700	-	-	-	-	-
Direct Revenue Funding	1,666	1,835	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Revenue contribution capital (HRA self financing)	26,132	25,000	24,000	23,600	23,000	21,000	19,200	19,000	18,650	21,700
Council Borrowing	39,020	49,190	66,000	32,652	6,700	500	500	500	500	500
<b>Total Funding</b>	<b>136,307</b>	<b>179,433</b>	<b>170,135</b>	<b>83,383</b>	<b>50,516</b>	<b>36,645</b>	<b>34,876</b>	<b>34,708</b>	<b>34,391</b>	<b>37,375</b>
Funding Surplus HRA	-	-	(3,433)	(2,650)	(2,450)	(2,100)	(2,100)	(2,100)	(2,100)	(12,900)
Funding Gap General Fund	-	0	550	400	1,275	975	975	975	975	975



<b>Subject:</b>	<b>Council Tax Reduction Review</b>		
<b>Date of Meeting:</b>	<b>8 December 2016 - Policy, Resources and Growth Committee</b> 15 December 2016 - Council		
<b>Report of:</b>	<b>Executive Director for Finance and Resources</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>John Francis</b>	<b>Tel:</b> 29-1913
	<b>Email:</b>	<a href="mailto:John.Francis@Brighton-Hove.gcsx.gov.uk">John.Francis@Brighton-Hove.gcsx.gov.uk</a>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE****1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The council introduced a local Council Tax Reduction (CTR) scheme from 1<sup>st</sup> April 2013 as a result of national changes localising the previous Council Tax Benefit (CTB) system. Under legislation the local Council Tax Reduction Scheme must be reviewed each year. The purpose of this report is to set out that review and the resulting recommendations.
- 1.2 When CTR was introduced the funding for the scheme was reduced by 10% when compared with the costs of the previous CTB scheme. The funding has continued to reduce year on year and the gap between the cost of the current scheme and the estimated funding available for 2017/18 is forecast to be a £4.150million.
- 1.3 The council has a choice to manage this by either, reducing the cost of CTR; reduce funding for other general fund services; or increasing council tax.
- 1.4 In the current financial year the council is absorbing approximately £2.468million of the scheme costs within its General Fund budget.
- 1.5 CTR for people of pensionable age is set according to prescribed rules which are broadly in line with the support offered by the previous national scheme. Councils are given no power to alter the way the scheme works for pensioners, despite the fact that funding is being reduced for this group too.

**2. RECOMMENDATIONS:****That the Committee:**

- 2.1 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.

- 2.2 Notes the outcome of that consultation (appendix 1) which has been summarised in section 5.4
- 2.3 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.
- 2.4 Notes that the Executive Director of Finance and Resources will, prior to 1<sup>st</sup> 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:**

- 2.5 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.
- 2.6 It notes the outcome of that consultation (appendix 1) which has been summarised in section 5.4.
- 2.7 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.
- 2.8 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 1<sup>st</sup> April 2017**

- 2.9 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 1<sup>st</sup> April 2017. (These changes are set out in more detail in 4.3).
  - 2.9.1 Change the taper rate from 20p to 25p.
  - 2.9.2 To limit maximum CTR to the equivalent available for Band D property.
  - 2.9.3 Change the minimum CTR payable to £5.00 per week.
  - 2.9.4 For people with an entitlement to CTR on 31<sup>st</sup> 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.

- 2.9.5 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.
- 2.9.6 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.

### **3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 Since April 2013 the Government has prescribed that councils must have their own Council Tax Reduction schemes for people of working age. The schemes for people of pensionable age are set by national rules. In keeping with other councils with responsibility for CTR the scheme in Brighton and Hove is an amended version of the previous national scheme. The differences between the previous scheme and the current scheme are that working age people on CTR receive up to an 80% discount of their Council Tax; the maximum amount of capital a person may hold is £6,000 (reduced from £16,000); an element of the scheme called second adult rebate has been ended; the amounts adult children who live in their parents home are expected to contribute has been increased; and the amount of earnings which are ignored when a person works has been increased for single people, disabled people and carers. The current scheme can be found at [www.Brighton-Hove.gov.uk/ctr](http://www.Brighton-Hove.gov.uk/ctr). The page also contains a list of yearly amendments made since the scheme began. A table of all council's schemes are included in appendix 3.
- 3.2 The calculative elements of the scheme are updated each year in line with national amounts under the delegated powers of the Executive Director of Finance and Resources.
- 3.3 To support people who are in receipt of CTR, the Revenues and Benefits team has a debt prevention team to help people pay their council tax before they fall into arrears; a discretionary fund has been established to support people in exceptional circumstances; and, budgeting and financial advice has been provided initially through a dedicated contract and subsequently through the financial inclusion commission.
- 3.4 Each year, the council must consider whether to revise its scheme or to replace it with another scheme. Any revision the council makes to its scheme must be made no later than 31<sup>st</sup> January in the financial year preceding that in which the revision is due to take place.

## **Funding**

- 3.5 Since April 2014, funding for the scheme has been incorporated into the Revenue Support Grant and the Business Rates baseline. Accordingly the funding available for CTR is proportional to those incomes. The Revenue Support Grant income is forecast to significantly reduce over the next three years which means the funding for CTR is reducing in turn.
- 3.6 The current forecast estimates that the shortfall between the current CTR scheme and the funding available for the council in 2017/18 is £4.150m, an increase of £1.682m when compared with the estimated shortfall in 2016/17.
- 3.7 At present all working age CTR recipients receive up to 80% of their council tax. If the council did not subsidise the scheme CTR recipients would only receive up to 42% of their council tax.
- 3.8 The council collects Council Tax on behalf of the East Sussex Fire Authority and the Police and Crime Commissioner for Sussex; any decisions the council makes relating to the CTR scheme affects the council tax base and in turn the resources these precepting authorities can generate.
- 3.9 The caseload numbers have continued to decline over the last year by approximately 4%. This has been dependent on a number of factors, for example continued economic growth. For forecasting purposes the figures in 3.6 and 3.7 assume that the caseload will continue to reduce by 4% for 2017/18.
- 3.10 There are a number of other factors which could impact on the cost of the scheme including when the full roll-out of Universal Credit will commence in Brighton and Hove; changes to rates for family benefits from April 2017; and, increases in the minimum wage.

## **Context**

- 3.11 With few exceptions the Government does not prescribe how schemes should be set for working age people but protects people of pensionable age at equivalent levels of entitlement to that which they would have been entitled to under the previous national scheme.
- 3.12 In April 2013 when CTR was introduced there was a total of 27,809 claimant households, 10,421 of whom were of pensionable age and 17,388 were of working age. As at October 2016 the total number of CTR claims was 22,561 with 8,433 claims from people of pensionable age and 14,128 for people of working age. The reduction in caseload reflects in part changes made to the maximum level of CTR available in April 2016 and broader economic conditions.
- 3.13 The in year collection rate for people on CTR is approximately 80% and the ultimate collection rate for people who had any entitlement to CTR in 2016/17 is likely to be between 85 to 90%. The overall ultimate collection rate for Council Tax in 2016/17 is expected to be 98.28%.
- 3.14 CTR has led to higher administrative burdens because of increased customer contacts due to the extra number of households it now collects Council Tax from.

Dealing with these contacts has meant the business model of the revenues service has changed to include dealing with discretionary funds, greater extended repayment arrangements alongside the increase in customer contacts.

- 3.15 The localisation of Council Tax support is one element of the government's welfare reform programme which relates specifically to Council Tax. However, issues of other welfare reforms, affordability (particularly related to housing), household income, the cost of living, the performance of the economy and local employment issues are all related.
- 3.16 A further series of welfare reforms were announced in 2015 and have recently started or are about to start. These include a freeze on most working age benefits for four years from April 2016; changes to the amounts paid for families with more than two children from April 2017; changes to the rates paid to people on Employment and Support Allowance from April 2017; and, changes to the level of the benefits cap from November 2016.
- 3.17 In accordance with legislation the council published a draft scheme (appendix 4) for the purposes of consultation in September 2016. The consultation was open to anyone to respond to but all working age recipients of CTR who would be affected by any of the possible changes were written to and invited to respond.

#### **4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 4.1 There are a series of requirements prescribed by legislation which must be undertaken in order for a council to make changes to its CTR scheme. These requirements are:
- To consult any major precepting authority which has the power to issue a precept to it;
  - Publish a draft scheme in such a manner as it sees fit; and
  - Consult such other persons as it considers are likely to have an interest in the operation of the scheme.
- 4.2 Further to the forecast funding position and following initial consultation with major precepting authorities the council published a draft scheme in September and ran formal consultation until 1<sup>st</sup> November.
- 4.3 The possible changes set out in the draft scheme were:
- To increase the amount that CTR goes down by for every extra £1 increase in the income a household receives (known as 'the taper') from 20p to 25p
  - To set the maximum rate CTR to the amount payable for a Council Tax Band D property
  - To set the minimum amount of CTR to £5 per week, meaning that households entitled to CTR of less than £5 a week will pay the full amount of Council Tax
- 4.4 The responses to consultation are set out in 5.4

## **5. COMMUNITY ENGAGEMENT & CONSULTATION**

- 5.1 The council is currently running a cross-cutting programme to understand and plan for the impacts of wider welfare reform. The programme maintains ongoing links, and shares information with community and advice services and organisations. It also holds regular cross city meetings with a broader set of representatives, including private landlords.
- 5.2 As major precepting authorities, the East Sussex Fire Authority and the Office of the Police and Crime Commissioner were consulted prior to the draft scheme being published and as a part of the main consultation.
- 5.3 Formal consultation was undertaken between 21<sup>st</sup> September and the 1<sup>st</sup> November. The consultation was open to anyone to respond to but all working age recipients who would be affected by any of the possible changes set out in the draft scheme were written to and invited to respond. The consultation was promoted through community and voluntary sector and advice agency networks; on social media; through press releases; and, via front line staff who work with people who claim CTR.
- 5.4 A summary of findings from consultation is attached in appendix 1. The main findings to consultation of which there were 81 responses were
- The majority of respondents were not in favour of the change to the Taper rate.
  - The majority of respondents were in favour of limited CTR to the equivalent of a Band D.
  - A small majority were not in favour of the £5.00 minimum CTR.

## **6. CONCLUSION**

- 6.1 The recommendations in this report are formed on the basis of:
- Information from the operation of the scheme so far which shows that the amounts being charged to people on CTR are being collected in line with planning expectations and that the vast majority of customers are engaging with the council about their Council Tax issues.
  - The overall financial position of the local authority which means that assuming a 3.99% increase in Council Tax per year that the council is facing at least a £24m budget gap in 2017/18 and £51m over the three years to 2019/20.
  - The estimated shortfall between the cost of the current scheme and the funding transferred to the council is expected to increase to £4.150m in 2017/18. The scheme as proposed will go some way to meet that reduction in funding but will still mean that the council subsidy to the scheme will be £3.9m. In practice this means the scheme is being supported by Council Tax and Business Rate payers in part in addition to the remaining shortfall being made up by CTR recipients themselves.
  - The council will continue to ensure that CTR recipients are supported in a number of ways including pre-emptive support from the debt prevention team;



the use of discretionary funds to help vulnerable people in difficult situations; and, the provision of a community banking partnership in Brighton and Hove

- The actions that will be undertaken as a result of the EIA.
- Transitional Protection has been considered. For people with an entitlement to CTR on 31<sup>st</sup> 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. Anyone affected by the other provisions will be written to with an explanation of the change and invited to apply for the Discretionary Council Tax Reduction scheme.
- In accordance with the four year budget plan presented to Budget Council in February 2016 and the three year budget plan proposals presented on today's agenda the permanent funding for the Discretionary council Tax Reduction Scheme is set at £0.055m but one off funding of £0.045m is set aside from the Welfare Reform Reserve to provide £0.100m discretionary funds overall.

## **7. FINANCIAL & OTHER IMPLICATIONS:**

### Financial Implications:

- 7.1 The projected budget gap over the next 3 years is estimated to be £51m and this incorporates the reduction in funding for CTR and assumes the 2016/17 CTR scheme is maintained throughout the 3 year period. Therefore any changes to the scheme that generate additional resources to the council contribute to meeting the budget gap.
- 7.2 The possible changes set out in the draft scheme were estimated to generate £0.255m additional resources for the council, £0.030m for the Police and Crime Commissioner for Sussex, and £0.015m for the East Sussex Fire Authority.
- 7.3 The forecast subsidy the council will pay towards the CTR scheme in 2017/18 will increase to £3.900m from £2.468m in 2016/17.
- 7.4 The estimated cost of the CTR scheme is reflected in the council tax base. The Council Tax base report to Policy, Resources and Growth Committee on the 19 January 2017 will reflect the 2017/18 scheme.
- 7.5 The discretionary fund will set to a minimum of £0.055m supplemented by one off resources set aside within the Welfare Reform reserve of up to £0.095m providing total resources of £0.150m in 2017/18. This will release £0.045m to support the 2017/18 budget.

*Finance Officer Consulted: James Hengeveld*

*Date: 14/11/16*

### Legal Implications:

- 7.6 The Local Government Finance Act 1992 requires each billing authority, such as the council, to consider each financial year whether to revise its CTR scheme or to replace it with another one. If it wishes to amend its scheme, it must undertake a consultation exercise. The consultation undertaken on revisions to the Council

Tax Reduction Scheme followed the statutory requirements of paragraphs 3 and 5 of Schedule 1A to the Act. These requirements are set out in paragraph 4.1 of the report.

- 7.7 Any revision to the Scheme, for implementation in 2017/18, must be made by 31 January 2017.
- 7.8 If any revision to a scheme has the effect of reducing or removing a reduction, the revision must include such transitional provision relating to that reduction as the authority thinks fit. Recommendation 2.9.4 addresses that requirement.
- 7.9 Under Part 3 of the council's constitution, and section 67 (2) (aa) of the 1992 Act, approval of the revised Scheme is reserved to full Council. It is appropriate for the draft Scheme to be considered first by the Policy, Resources and Growth Committee, given its remit in relation to Council Tax and corporate budgetary matters, and to refer its recommendations on the revised Scheme to full Council.
- 7.10 Under section 149 of the Equality Act 2010 a public authority such as the council must in the exercise of its functions have due regard to the need to eliminate discrimination, harassment, victimisation; advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and foster good relations between persons who share a relevant protected characteristic and persons who do not share it. This duty is known as the Public Sector Equality Duty (PSED). The EIA is attached to the report as Appendix 2 for Members' consideration. In a recent High Court case, R on the application of Logan v London Borough of Havering, the High Court found that there had been a failure by the full council to have due regard to the PSED because not every member of the council had been provided with a report and accompanying equality impact assessment looking at the possible adverse impact of the changes.
- 7.11 Under the council's Scheme of Delegations to Officers, the Executive Director of Finance and Resources has, subject to any general guidance or limitation imposed by the relevant Committee, delegated power to exercise the council's functions regarding the Council Tax Reduction scheme. Any changes to the scheme, such as an increase in the calculative elements of the scheme, occasioned by national changes will be made under delegated powers.
- 7.12 A draft of the technical changes required to the scheme documents is set out in appendix 5.

*Lawyer Consulted:*

*Liz Woodley*

*Date: 10/12/16*

Equalities Implications:

- 7.13 An EIA was undertaken on the possible changes set out in the draft scheme and the recommendations in this report. A copy of this assessment is included in appendix 2
- 7.14 The findings from the EIA will mean the council will:

- Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing specifically targeted and tailored information for specific groups to organisations which support people with protected characteristics.
- Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances.
- Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of council tax, budgeting and moving towards work from services throughout the city.
- Ensure staff and advice services are skilled to advise people on the other statutory council tax discounts customers may be entitled to which would help mitigate some of the impacts of reduction of funding for CTR These include the discounts of 25% available for single occupants and the 100% discount which is referred to in legislation as being for people who are severely mentally impaired.

Sustainability Implications:

7.15 There are no sustainability implications relating to this issue

Any Other Significant Implications:

7.16 No other significant implications have been identified relating to this issue

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Consultation Summary
2. Equalities Impact Assessment
3. Breakdown of other council's schemes
4. Draft scheme
5. Draft technical changes to scheme documents

## Consultation Summary

This document sets out the response the consultation about the possible changes to CTR from 1<sup>st</sup> April 2017.

It provides the numerical responses to the questions about whether those people that responded Agreed, Disagree or did not know about a possible change. It also provides a breakdown of the comments made about each issue.

Formal consultation was undertaken between 21<sup>st</sup> September and the 1<sup>st</sup> November. The consultation was open to anyone to respond to but all working age recipients who would be affected by any of the possible changes set out in the draft scheme were written to and invited to respond. The consultation was promoted through community and voluntary sector and advice agency networks; on social media; through press releases; and, via front line staff who work with people who claim CTR.

## Consultation overview

The consultation asked the following questions:

### Part A

- **The taper rate for CTR will change from 20% to 25%**

Q1. Do you agree or disagree with the proposal to change the taper rate from 20% to 25%?

Q2. Is there anything we haven't considered or any further comments you'd like to make about the proposal to change the taper rate?

### Part B

- **CTR will pay up to maximum of 80% of Band B**

Q3. Do you agree or disagree with the proposal that CTR will pay up to a maximum of 80% of Band D?

Q4. Is there anything we haven't considered or any further comments you'd like to make about the proposal to pay up to a maximum of 80% of band D?

### Part C

- **CTR will have a minimum amount of £5 per week**

Q5. Do you agree with the proposal that CTR will have a minimum amount of £5 per week?

Q6. Is there anything we haven't considered or any further comments you'd like to make about the proposal to set a minimum amount of CTR?

- **General**

Q7. Is there anything we haven't considered or any further comments you'd like to make about these ideas to reduce the cost of the scheme?

## Responses to questions

### Q1. Do you agree or disagree with the proposal to change the taper rate from 20% to 25%?

		Frequency	Percent	Valid Percent
Valid	Definitely agree	21	25.9	27.6
	Tend to agree	14	17.3	18.4
	Tend to disagree	8	9.9	10.5
	Definitely disagree	33	40.7	43.4
	Total	76	93.8	100.0
Missing	Don't know / not sure	5	6.2	
Total		81	100.0	

### Q2. Is there anything we haven't considered or any further comments you'd like to make about the proposal to change the taper rate?

1. Of the replies to this question 19 set out problems that they felt it would cause with issues around cost and standard of living.
  - 1.1. 11 replies set out concerns that this proposal would act as a disincentive for people to work because their CTR would reduce faster as they earned more.
  - 1.2. 5 comments focussed on the impact the change would have in terms of worsening financial hardship and that people would not be able to afford to pay.
  - 1.3. 3 comments reflected that there has been no increases in benefits to help with affordability; that in conjunction with other measures to benefits it will make things tougher; and, that the increases in the proposed measure is higher than inflation.
  
2. Of the replies to the question 10 were about concerns about the impacts on specific groups and the overall impact of the measure.
  - 2.1. 6 replies set concerns about the impact on specific groups including: disabled people; pensioners\*; families affected by the Benefits Cap; and, people on a low income.
  - 2.2. 4 comments focussed on the risk of increased stress and general wellbeing; the risk to mental health; and, the risk of suicide.
 

\*(Pensioners would not be affected by these provisions. CTR for pensioners is governed by national rules).
  
3. Of the replies to the question 8 were about issues people felt there would be with the administration of the scheme and the unintended consequences of the change.
  - 3.1. 2 replies set out that they thought the scheme would be complicated to administer

- 3.2. 2 replies focussed on communication including that this would be hard to explain and is not transparent so would be hard to understand.
- 3.3. 4 comments reflected on the financial impact of the scheme including that: It could result in a lower collection rate; that it will cost the council more in the long term; that it will cost the health service more money due to increase in service demand; and, that it is a false economy.
- 4. Of the replies to the question 7 were about alternatives to the possible change.
  - 4.1. 4 replies suggested other groups should pay more including: increasing charges for higher bands; increasing charges for higher earners; that households with spare rooms should pay more; that people with empty properties should pay more.
  - 4.2. 1 comment suggested the taper should mirror income tax rates.
  - 4.3. 1 comment suggested the mayor should take a pay cut.
  - 4.4. 1 comment stated Just don't.
- 5. 2 replies were in favour of the measure or thought it should be increased above £0.25.
  - 5.1. 1 reply suggested the taper should be set at £0.35p.
  - 5.2. 1 reply stated that living in the city is a privilege and paying for that is a must for all people who earn money from any source.

**Q3. Do you agree or disagree with the proposal that CTR will pay up to a maximum of 80% of Band D?**

		Frequency	Percent	Valid Percent
Valid	Definitely agree	23	28.4	29.5
	Tend to agree	25	30.9	32.1
	Tend to disagree	13	16.0	16.7
	Definitely disagree	17	21.0	21.8
	Total	78	96.3	100.0
Missing	Don't know / not sure	3	3.7	
Total		81	100.0	

**Q4. Is there anything we haven't considered or any further comments you'd like to make about the proposal to pay up to a maximum of 80% of band D.**

- 6. Of the replies to this question 10 set out problems that they felt it would cause with the standard and cost of living.
  - 6.1. 5 comments were around increased financial hardship including: that it would be unaffordable and increase poverty; that it would increase charges for people on low incomes; and, that it would act as a disincentive to work.

- 6.2. 5 comments were concerned with relating the charge to the size of property rather than income. This included that: the measure could be punitive on a small number of people; that Council Tax bandings are not an accurate reflection on a person's ability to pay; that it would affect people regardless of income; and, that it affects fewer people but they would have to pay more.
7. Of the replies to this question 5 raised concerns about specific groups.
  - 7.1. 2 replies raised the issue that people affected by the Benefit Cap may also be affected.
  - 7.2. 1 reply suggested larger households were more likely to have children in them.
  - 7.3. 1 reply concerned people being unable to move due to having properties in trust.
  - 7.4. 1 reply was concerned that no caveats had been built in for vulnerable groups.
8. Of the replies to this question 5 focussed on issues around moving or housing.
  - 8.1. 2 replies suggested people in larger properties could sublet or downsize.
  - 8.2. 2 replies focused on moving and included; families could move to smaller properties; and, that families face barriers to moving.
  - 8.3. 1 reply highlighted what they felt would be an increased risk of homelessness.
9. Of the replies to this question 9 suggested alternatives or adjustments to the possible change.
  - 9.1. 7 replies suggested raising income through other means including: taxing pensioners more; taxing richer people more; taxing tourists; that households with 2 incomes or more should pay more.
  - 9.2. 3 replies suggested adjustments to the proposals including: that the amount due should depend on the number of occupiers rather than the size of the property; that there should be discretionary relief for people in large properties where a room is used for equipment to support disabled people and, that there should be a 13 or 26 week protection period for people who newly claim CTR.
  - 9.3. 1 reply suggested the council should work with people who own empty properties so they can be leased for rent.
10. Of the replies to this question 3 focused on the reductions to the cost of the scheme of this possible change and issues around administration.
  - 10.1. 3 replies suggested the reductions in the cost to the scheme would be limited for reasons including: that it is pensioners who tend to live in higher banded properties so the impact will be limit; that increased collection costs could offset savings; that increased applications to Discretionary Council Tax Reduction could offset savings.
11. Of the replies to this question 4 were in favour of the possible change or thought it should be taken further.
  - 11.1. 2 replies suggested that anyone living in a band D property should not need CTR.



11.2. 1 reply suggested CTR should be limited to 50% of band D.

11.3. 1 reply stated they thought the idea made sense.

**Q5. Do you agree or disagree with the proposal that CTR will have a minimum amount of £5 per week?**

		Frequency	Percent	Valid Percent
Valid	Definitely agree	24	29.6	30.4
	Tend to agree	14	17.3	17.7
	Tend to disagree	11	13.6	13.9
	Definitely disagree	30	37.0	38.0
	Total	79	97.5	100.0
Missing	Don't know / not sure	2	2.5	
Total		81	100.0	

**Q6. Is there anything we haven't considered or any further comments you'd like to make about the proposal to set a minimum amount of CTR?**

12. Of the replies to this question 12 focussed on the problems they felt it would have on the standard and cost of living.

12.1. 8 replies focussed on the potential for this possible change to impact on financial hardship including; that it would increase hardship; and, that £5 per week or £260 per year would be too much.

12.2. 3 replies focussed on interactions with other measures which could increase financial difficulty including: that the interaction with the Taper rate proposal will exacerbate the impact of this measure; and, that it will make it hard for people struggling with Local Housing Allowance freezes and other rising costs.

12.3. 1 reply said that people would become indebted to the council as a result of this change.

13. Of the replies to this question 10 suggested alternatives or adjustments.

13.1. 3 replies were in favour of making the minimum amount higher including; that the minimum amount should be £10; that it should be more than £5 per week; and, that the approach should be tougher.

13.2. 2 replies suggested the minimum amount should be less including; that the minimum amount should be set at £2.30; and, that the minimum amount should be £5 per month

13.3. 1 reply stated they felt there should be no minimum amount.

13.4. 1 reply suggested the measure should apply to pensioners.

13.5. 1 reply suggested there should be safeguards in place for people on zero hour contracts.

13.6. 1 reply suggested an empty properties scheme should be considered instead.

13.7. 1 reply suggested a minimum amount should be set on a case by case basis.

14. Of the replies to this question 8 highlighted the specific concerns with the way the scheme would work under this measure.
  - 14.1. 5 replies focussed that this measure would also exclude people from being able to apply for Discretionary Council Tax Reduction because of the requirement in that scheme to have an entitlement to standard CTR to qualify.
  - 14.2. 2 people highlighted that this measure could create a cliff edge reduction in income where a small increase in earnings could result in a larger drop in CTR.
  - 14.3. 1 reply focussed on the point that this measure effectively does away with the means testing aspect of the scheme for the people who would be affected.
  
15. Of the replies to this question 2 focussed on the administrative impacts the change may have
  - 15.1. 1 reply said it would create extra work for benefits staff.
  - 15.2. 1 reply said that it would increase collection costs to the council which will reduce the savings made.

**Q7 Is there anything we haven't considered or any further comments you'd like to make about these ideas to reduce the cost of the scheme?**

16. Of the replies to this question 23 suggested alternatives or adjustments.
  - 16.1. 16 replies suggested alternative ideas for raising revenues, these included: that Council Tax is increased to cover the deficit; that people who can afford it should pay more; that more should be charged for refuse collection, recycling, business charges etc; that CTR should pay up to 75% not 80% of liability; that nudge theory should be used to increase collection; that backdating of CTR should be limited to one month; that properties should be re-banded with more realistic property values; that only pensioners on Pension Credit should be exempt from other CTR measures; that people in expensive properties should be charged more; that empty properties should be taxed more; that the Council Tax base should be increased overall; and, that using the money from the i360 should be used to pay for CTR.
  - 16.2. 7 replies concerned other suggested adjustments or clarifications of the scheme including: that hardship should be avoided by considering cases on an individual basis; that more innovative solutions are needed to support the most needy, eg multiple support bands and tapers; that income should be based on everyone at the property and cross referenced with HMRC records; that pensioners and disabled people with no savings should not have to pay CTR; that if people had paid Council Tax for 5-10 years then they should be able to expect to get help; that the terms of payment for the discretionary scheme needed greater clarity; that changes to the taper should be introduced slowly to give security during a new job;
  
17. Of the replies to this question 16 raised issues relating to the cost or standard of living.

- 17.1. 10 replies focussed on issues of financial hardship including: that the changes penalise the poorest; that the changes are a disincentive to work; that the council needs to be sure it will not increase homelessness; that the change would increase hardship; that the changes would penalise disabled people.
  - 17.2. 6 replies related to the broader context in which these possible changes would be happening including; that services that provide support with advice or around issues of DLA or PIP are being reduced; that schools and transport are in dire straights and are increasing pressure on families; that it was not fair to carers who cannot work; that some people had no choice over which accommodation they live in; and, that there is no extra income, no help with respite or childcare.
18. Of the replies 15 raised general issues relating to the scheme.
- 18.1. 3 replies were generally in favour of the possible changes including; that they suggested it was a fair scheme; that more people should contribute to CTR; that the scheme would increase revenue.
  - 18.2. 3 replies raised concern how much CTR is paid including: that benefit fraud is not taken seriously enough and that councillors should stand up for people who live within their means; that as long as people on CTR smoke or have tattoos then the scheme is too generous; that people who do not want to work should not be helped at all.
  - 18.3. 2 replies concerned the levels of savings these possible changes would make including: that the level of savings were insignificant; that the cost of administering the changes will limit the effectiveness of the savings.
  - 18.4. 1 reply emphasised they completely disagreed with the proposal to change the Taper.
  - 18.5. 1 reply suggested the consultation related to the possible changes was no more than a PR exercise.
  - 18.6. 5 replies which raised other issues including; that people on CTR do not know how much Council Tax for 2017/18 is going to be yet; that they hold the government responsible for the changes not BHCC; that they did not know what the council could do whilst the government was sticking to austerity; that people who own their homes and are on JSA should get help with repairs; that people who are entitled to CTR must be paid.



## Equality Impact Assessment Template<sup>1</sup>

Public sector bodies need to be able to evidence<sup>2</sup> that they have given due regard to the impact and potential impact on all people with ‘protected characteristics’<sup>3</sup> in shaping policy, in delivering services, and in relation to their own employees.

The following principles, drawn from case law, explain what is essential in order for the Public Sector Equality Duty to be fulfilled. Public bodies should ensure:

- **Knowledge** – everyone who works for the council must be aware of our Equality Duties and apply them appropriately in their work.
- **Timeliness** – you must comply with the Duty at the time of considering policy options and/or before a final decision is taken. You cannot meet the Duty by justifying a decision after it has been taken.
- **Real consideration** – you must consider the aims of the Equality Duty as an integral part of your decision-making process. The Duty is not about box-ticking; it must be done properly, with rigour and with an open mind so that it influences your final decision.
- **Sufficient information** – you must consider what information you have and what further information is needed to give proper consideration to the Equality Duty.
- **No delegation** – the council is responsible for ensuring that any contracted services which provide services on our behalf can comply with the Duty, are required in contracts to comply with it, and do comply in practice. It is a duty that cannot be delegated.
- **Review** – we must have regard to the aims of the Duty not only when a policy is developed and decided upon, but also when it is implemented and reviewed. The Equality Duty is a continuing duty.
- **Proper Record Keeping** – we must keep records of the process of considering the Equality Duty and the impacts on protected groups. This encourages transparency and the proper completion of Equality Duties. If we don’t keep records then it may be more difficult for us to evidence that we have fulfilled our equality duties.

**For more guidance** see the guidance [[weblink](#)] or contact the Communities and Equality Team – x 2301. EIA workshops and support are available through Directorate Equality Groups from the Communities and Equality Team. **1. Equality Impact Assessment (EIA) Template**

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<sup>1</sup> Information taken from Equality Act 2010: Public Sector Equality Duty What Do I Need To Know? A Quick Start Guide For Public Sector Organisations – Government Equalities Office May 2011

<sup>2</sup> To councillors, senior managers, service-users, the public and community and voluntary sector groups

<sup>3</sup> ‘Protected characteristics’ are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. (Also marriage and civil partnership, but only in relation to eliminating discrimination.)

<b>Title of EIA</b> (should clearly explain what you are assessing)	Council Tax Reduction scheme 2017/18	<b>ID No.</b>	
<b>Team/Department</b>	Welfare Reform – Finance and Resources		
<b>Focus of EIA</b>	<p>The focus of this EIA is the impact of what the proposed changes to the CTR scheme from April 2017 would mean for recipients of Council Tax Reduction.</p> <p>A draft scheme for Council Tax Reduction (CTR) which contained three possible changes was published in September 2016 and consulted upon.</p> <p>These possible changes are not currently policy. A decision on whether they should be adopted as a part of the CTR scheme will be made at a meeting of Full Council on 15<sup>th</sup> December. This EIA looks at the impacts of the possible changes should they be adopted.</p> <p>The draft possible changes were:</p> <p><b>The taper</b></p> <p>When people start to receive more income than they would on Job Seekers Allowance, Income Support or Employment Support Allowance (often by working) their CTR goes down by £0.20p for every extra £1 they receive. This is called the taper.</p> <p>It is proposed that the taper is increased from £0.20p to £0.25p. This means that for each extra £1 a person receives, their Council Tax Reduction will reduce by £0.25p rather than £0.20p.</p> <p>It is estimated this change would affect 2298 cases and would mean those people would have to pay an average of £1.74 per week more in Council Tax than they do now. For individual cases this would mean individuals losing between a few pence and £7.50 per week.</p> <p><b>CTR will pay up to 80% of Council Tax Band D</b></p> <p>Currently CTR will pay up to 80% of a household's Council Tax liability whichever Council Tax band</p>		

their property is in. Council Tax bands go from A to H. Generally the larger and more valuable a property, the higher band it will be in.

It is proposed that CTR will be based on a maximum of a band D property including the separate maximum CTR payable. For example, at the moment the maximum rate of CTR a person can receive is 80% of their liability. This proposal would mean that the maximum CTR a working age household could receive would be 80% of the Council Tax liability for a Band D property.

It is estimated this change would affect 152 cases and would mean those people would have to pay between £2.08 and £16.69 per week more than they do now.

### **Minimum amount of CTR**

Currently the smallest amount of CTR a household can receive is £0.01p per week.

It is proposed that once CTR entitlement goes below £5 per week, it will then reduce to zero, which means the household would pay the full amount of Council Tax.

For the people affected by these changes this would mean they would have to pay a higher amount of Council Tax than they do now.

It is estimated this change would affect 609 households and would mean those people would have to pay between £0.01 and £4.99 per week more in Council Tax than they do now.

Note: There are likely to be around 300 households who are affected by more than one of these provisions. If these possible changes are adopted these households will be written to and invited to apply for the Discretionary Council Tax Reduction scheme so these circumstances can be taken into account.

**Consider:**

- How to avoid, reduce or minimise negative impact (if you identify unlawful discrimination, including victimisation and harassment, you must stop the action and take advice immediately).
- How to promote equality of opportunity. This means the need to:
  - Remove or minimise disadvantages suffered by equality groups
  - Take steps to meet the needs of equality groups
  - Encourage equality groups to participate in public life or any other activity where participation is disproportionately low
  - Consider if there is a need to treat disabled people differently, including more favourable treatment where necessary
- How to foster good relations between people who share a protected characteristic and those who do not. This means:
  - Tackle prejudice
  - Promote understanding

	<b>Summary of data<sup>1</sup> about your service-users and/or staff</b>	<b>Summary of service-user and/or staff feedback<sup>2</sup></b>	<b>Impacts identified from data and feedback (actual and potential)<sup>3</sup></b>	<b>All potential actions to:</b> <ul style="list-style-type: none"> <li>• <b>advance equality of opportunity,</b></li> <li>• <b>eliminate discrimination, and</b></li> <li>• <b>foster good relations</b></li> </ul> (You will prioritise these below in section 2)
<b>Age</b> (people of all ages)	Taking each measure separately 3059 households of working age would be affected by these changes. They would exclude people of pensionable age.  As a proportion of the caseload people aged 25-34 are slightly		Taking each measure separately 3059 households of working age would have to pay more Council Tax than they do now.	Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations.

<sup>1</sup> 'Data' may be monitoring, customer feedback, equalities monitoring, survey responses...

<sup>2</sup> Either ongoing links with community and voluntary groups, service-user groups, staff forums; or one-off engagement sessions you have run.

<sup>3</sup> If data or engagement are missing and you can not define impacts then your action will be to take steps to collect the missing information.



	<p>more likely to be affected by change to the Taper and the Minimum amount of CTR than other age brackets.</p> <p>As a proportion of the caseload people aged 45-54 are more likely to be affected by the restriction to Band D than other age groups</p> <p>As a proportion of the caseload people aged 55-64 are less likely to be affected by the changes to the Taper and Minimum amount of CTR than other groups and people aged 16-25 are less likely to be affected by the restriction to band D.</p>		<p>People currently in receipt of CTR aged 25-34 and 45-54 are more likely to have to pay more council tax than people in other age brackets as a result of these changes..</p>	<p>This will include providing information to organisations which support people with protected characteristics.</p> <p>Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need.</p> <p>Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of council tax, budgeting and moving towards work.</p>
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	<p><b>Summary of data<sup>1</sup> about your service-users and/or staff</b></p>	<p><b>Summary of service-user and/or staff feedback<sup>1</sup></b></p>	<p><b>Impacts identified from data and feedback (actual and potential)<sup>1</sup></b></p>	<p><b>All potential actions to:</b></p> <ul style="list-style-type: none"> <li>• advance equality of opportunity,</li> <li>• eliminate discrimination, and</li> <li>• foster good relations</li> </ul>
<p><b>Disability</b> (a person is disabled if they have a physical or mental impairment which has a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities<sup>1</sup>)</p>	<p>(For the purposes of this measure a household is considered to have a member who is disabled if they are in receipt of Disability Living Allowance, Personal Independence Payments or Severe Disablement Allowance)</p> <p>Taking each measure separately 505 households with a disabled member would be affected by one of these changes.</p> <p>350 - the Taper 78 - Restriction to band D 77 - £5 Minimum CTR</p> <p>As a proportion of the</p>		<p>Taking each measure separately 505 households with a disabled member would be affected by these changes and have to pay more Council Tax</p> <p>As a proportion of the caseload households with a disabled member are less likely to have to pay more Council Tax as a result of these changes than other households.</p>	<p>There are a number of provisions within the CTR scheme which recognise and account for the issues faced by disabled people in relation to their finances, These include the full disregard of some income types, for example Disability Living Allowance and Personal Independence payments; and, increases in applicable amounts through specific disability related elements such as the disability premium, the severe disability premium and the carers premium.</p> <p>Consultation has been undertaken with the community and voluntary sector which will help to disseminate information about the possible changes</p> <p>Ensure the provision of clear communications about the change</p>

<sup>1</sup> The definition includes: sensory impairments, impairments with fluctuating or recurring effects, progressive, organ specific, developmental, learning difficulties, mental health conditions and mental illnesses, produced by injury to the body or brain. Persons with cancer, multiple sclerosis or HIV infection are all now deemed to be disabled persons from the point of diagnosis.

	<b>Summary of data<sup>1</sup> about your service-users and/or staff</b>	<b>Summary of service-user and/or staff feedback<sup>1</sup></b>	<b>Impacts identified from data and feedback (actual and potential)<sup>1</sup></b>	<b>All potential actions to:</b> <ul style="list-style-type: none"> <li>• advance equality of opportunity,</li> <li>• eliminate discrimination, and</li> <li>• foster good relations</li> </ul>
	<p>caseload households with a disabled member are less likely to be affected by the change to the Taper or the Minimum amount of CTR than households without a disabled member.</p> <p>For the restriction to band D as a proportion of the caseload households with a disabled member are about as likely to be affected by this change as households without a disabled member.</p>			<p>so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing information to organisations which support people with protected characteristics.</p> <p>Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need.</p> <p>Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of council tax, budgeting and moving towards work.</p>

	Summary of data <sup>1</sup> about your service-users and/or staff	Summary of service-user and/or staff feedback <sup>1</sup>	Impacts identified from data and feedback (actual and potential) <sup>1</sup>	All potential actions to: <ul style="list-style-type: none"> <li>• advance equality of opportunity,</li> <li>• eliminate discrimination, and</li> <li>• foster good relations</li> </ul>
<p><b>Gender reassignment</b> (a transsexual person is someone who proposes to, starts or has completed a process to change his or her gender. A person does <u>not</u> need to be under medical supervision to be protected)</p>	<p>This information is not available at a case level (although it is requested).</p>	<p>The Trans Scrutiny work undertaken by the council and partners identified that Trans people are more likely to be unemployed (because of discrimination) and therefore to be on low incomes</p>	<p>Any households with a transsexual member would have to pay more Council Tax as a result of these changes.</p>	<p>Consultation has been undertaken with the community and voluntary sector which will help to disseminate information about the possible changes</p> <p>Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing information to organisations which support people with protected characteristics.</p> <p>Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need.</p> <p>Raise awareness of the discretionary</p>

	<b>Summary of data<sup>1</sup> about your service-users and/or staff</b>	<b>Summary of service-user and/or staff feedback<sup>1</sup></b>	<b>Impacts identified from data and feedback (actual and potential)<sup>1</sup></b>	<b>All potential actions to:</b> <ul style="list-style-type: none"> <li>• advance equality of opportunity,</li> <li>• eliminate discrimination, and</li> <li>• foster good relations</li> </ul>
				<p>fund with Revenues and Benefit Teams and our internal and external stakeholders.</p> <p>Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of council tax, budgeting and moving towards work.</p>
<p><b>Pregnancy and maternity</b> (protection is during pregnancy and any statutory maternity leave to which the woman is entitled)</p>	<p>Taking each measure separately 112 households with a child under 1 year of age would be affected by one of these changes.</p> <p>89 – The Taper 3 – Restriction to Band D 20 – Minimum amount of CTR</p>		<p>112 Households with a child under 1 year of age would have to pay more Council Tax as a result of these changes</p> <p>As a proportion of the caseload households with a child under 1 year of age are about as likely to have to pay</p>	<p>Consultation has been undertaken with the community and voluntary sector which will help to disseminate information about the possible changes</p> <p>Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing information to organisations which support people with protected characteristics.</p>

	<b>Summary of data<sup>1</sup> about your service-users and/or staff</b>	<b>Summary of service-user and/or staff feedback<sup>1</sup></b>	<b>Impacts identified from data and feedback (actual and potential)<sup>1</sup></b>	<b>All potential actions to:</b> <ul style="list-style-type: none"><li>• advance equality of opportunity,</li><li>• eliminate discrimination, and</li><li>• foster good relations</li></ul>
	<p>As a proportion of the caseload households with a child under one are about as likely to be affected by all three measures as households without a child under one</p>		<p>more Council Tax as a result of this change as households which do not have a child under 1 year of age</p>	<p>Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need.</p> <p>Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of council tax, budgeting and moving towards work.</p>

	Summary of data <sup>1</sup> about your service-users and/or staff	Summary of service-user and/or staff feedback <sup>1</sup>	Impacts identified from data and feedback (actual and potential) <sup>1</sup>	All potential actions to: <ul style="list-style-type: none"> <li>• advance equality of opportunity,</li> <li>• eliminate discrimination, and</li> <li>• foster good relations</li> </ul>		
<p><b>Race</b> (this includes ethnic or national origins, colour or nationality, and includes refugees and migrants; and Gypsies and Travellers)</p> <p>These figures are extrapolated as not all customers have disclosed their ethnicity</p>		overall caseload	The Taper	Restriction to band D	£5 minimum CTR	<p>All customers in this group would have to pay more council tax</p> <p>Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing information to organisations which support people with protected characteristics.</p> <p>Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need.</p> <p>Raise awareness of the discretionary fund with Revenues and Benefit Teams and our internal and external stakeholders.</p>
	Arab	<b>0.63%</b>	1.05%	0.00%	0.52%	
	Asian or Asian British: Bangladeshi	<b>1.07%</b>	2.51%	3.71%	2.10%	
	Asian or Asian British: Indian	<b>0.34%</b>	0.53%	0.00%	2.63%	
	Asian or British: Pakistani	<b>0.17%</b>	0.40%	0.00%	0.00%	
	Asian or British: Any other Background	<b>1.97%</b>	2.64%	3.70%	2.63%	
	Black-Black British: African	<b>2.32%</b>	1.98%	3.70%	0.52%	
	Black - Black British: Caribbean	<b>0.58%</b>	0.26%	0.00%	0.00%	
	Black - Black British: Other	<b>0.43%</b>	0.13%	0.00%	0.52%	
	Chinese	<b>0.23%</b>	0.39%	0.00%	0.00%	
	Gypsy/Traveller	<b>0.11%</b>	0.13%	0.00%	0.00%	
	Mixed: Any other mixed background	<b>1.04%</b>	1.58%	1.85%	1.05%	
	Mixed: White and Asian	<b>0.69%</b>	0.92%	0.00%	1.05%	
	Mixed: White and Black African	<b>1.42%</b>	1.71%	1.85%	2.10%	
	Mixed: White and Black Caribbean	<b>1.18%</b>	0.39%	0.00%	0.00%	
White: Any other White Background	<b>8.47%</b>	15.30%	9.26%	15.26%		
White: British	<b>78.24%</b>	69.92%	75.93%	73.68%		
White: Irish	<b>1.04%</b>	0.13%	0.00%	0.00%		

	<b>Summary of data<sup>1</sup> about your service-users and/or staff</b>	<b>Summary of service-user and/or staff feedback<sup>1</sup></b>	<b>Impacts identified from data and feedback (actual and potential)<sup>1</sup></b>	<b>All potential actions to:</b> <ul style="list-style-type: none"> <li>• advance equality of opportunity,</li> <li>• eliminate discrimination, and</li> <li>• foster good relations</li> </ul>
				Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of council tax, budgeting and moving towards work.



	Summary of data <sup>1</sup> about your service-users and/or staff	Summary of service-user and/or staff feedback <sup>1</sup>	Impacts identified from data and feedback (actual and potential) <sup>1</sup>	All potential actions to: <ul style="list-style-type: none"> <li>• advance equality of opportunity,</li> <li>• eliminate discrimination, and</li> <li>• foster good relations</li> </ul>																		
<p><b>Religion or belief</b> (religion includes any religion with a clear structure and belief system. Belief means any religious or philosophical belief. The Act also covers lack of religion or belief.)</p>	<p>Case level information on religious belief is not available. The following data is from the 2011 Census. There is no reason at present to expect the distribution to vary from the distribution of CTR claimants and these measures</p> <table border="1" data-bbox="387 810 797 1268"> <tr> <td>Christian</td> <td>42.90%</td> </tr> <tr> <td>Muslim</td> <td>2.20%</td> </tr> <tr> <td>Buddhist</td> <td>1.00%</td> </tr> <tr> <td>Jewish</td> <td>1.00%</td> </tr> <tr> <td>Hindu</td> <td>0.70%</td> </tr> <tr> <td>Sikh</td> <td>0.10%</td> </tr> <tr> <td>Other religion</td> <td>0.90%</td> </tr> <tr> <td>No Religion</td> <td>42.40%</td> </tr> <tr> <td>Religion not stated</td> <td>8.80%</td> </tr> </table>	Christian	42.90%	Muslim	2.20%	Buddhist	1.00%	Jewish	1.00%	Hindu	0.70%	Sikh	0.10%	Other religion	0.90%	No Religion	42.40%	Religion not stated	8.80%	<p>No specific issues identified or raised by community in informal consultation</p>	<p>All customers in this group would have to pay more council tax</p>	<p>Consultation has been undertaken with the community and voluntary sector which will help to disseminate information about the possible changes</p> <p>Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing information to organisations which support people with protected characteristics.</p> <p>Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances.</p> <p>Raise awareness of the discretionary fund with Revenues and Benefit Teams and our internal and external stakeholders.</p>
Christian	42.90%																					
Muslim	2.20%																					
Buddhist	1.00%																					
Jewish	1.00%																					
Hindu	0.70%																					
Sikh	0.10%																					
Other religion	0.90%																					
No Religion	42.40%																					
Religion not stated	8.80%																					

	<b>Summary of data<sup>1</sup> about your service-users and/or staff</b>	<b>Summary of service-user and/or staff feedback<sup>1</sup></b>	<b>Impacts identified from data and feedback (actual and potential)<sup>1</sup></b>	<b>All potential actions to:</b> <ul style="list-style-type: none"> <li>• advance equality of opportunity,</li> <li>• eliminate discrimination, and</li> <li>• foster good relations</li> </ul>
				<p>Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of council tax, budgeting and moving towards work.</p> <p>Moneyworks is an organisation funded by Brighton and Hove Council set up to help residents save money, make money and manage their money better. The services are for anyone who is struggling to make ends meet and incorporates community and voluntary services throughout the city.</p>
<b>Sex/Gender</b> (both men and women are covered under the Act)	<p>Taking each measure separately 1,026 households where the claimant is male will be affected</p> <p>796 – The Taper 52 – Restriction to Band D 178 – Minimum CTR</p> <p>Taking each measure</p>		<p>1,026 households where the claimant is male and 1,978 households where the claimant is female would have to pay more Council Tax as a result of these changes.</p> <p>As a proportion of the caseload households where the claimant is female are more likely to</p>	<p>Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing information to organisations which support people with protected characteristics.</p>

	<b>Summary of data<sup>1</sup> about your service-users and/or staff</b>	<b>Summary of service-user and/or staff feedback<sup>1</sup></b>	<b>Impacts identified from data and feedback (actual and potential)<sup>1</sup></b>	<b>All potential actions to:</b> <ul style="list-style-type: none"> <li>• advance equality of opportunity,</li> <li>• eliminate discrimination, and</li> <li>• foster good relations</li> </ul>
	<p>separately 1,978 households where the claimant is female will be affected.</p> <p>1448 – The Taper 100 – Restriction to Band D 430 – Minimum CTR</p> <p>As a proportion of the caseload changes to the Taper and the Minimum Amount of CTR would affect a higher number of households where the claimant is female than male.</p> <p>As a proportion of the caseload households affected by the change Restriction to Band D are approximately the same whether the claimant is female or male.</p>		<p>have to pay more Council Tax as a result of these changes.</p>	<p>Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need.</p> <p>Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of council tax, budgeting and moving towards work.</p>

	<p><b>Summary of data<sup>1</sup> about your service-users and/or staff</b></p>	<p><b>Summary of service-user and/or staff feedback<sup>1</sup></b></p>	<p><b>Impacts identified from data and feedback (actual and potential)<sup>1</sup></b></p>	<p><b>All potential actions to:</b></p> <ul style="list-style-type: none"> <li>• advance equality of opportunity,</li> <li>• eliminate discrimination, and</li> <li>• foster good relations</li> </ul>
<p><b>Sexual orientation</b> (the Act protects bisexual, gay, heterosexual and lesbian people)</p>	<p>This data has been derived through identifying people who claim CTR as a couple and whether that is as a same sex or different sex couple.</p> <p>Taking each measure separately there are 18 households where the occupants are claiming as a same sex couple who would be affected by these changes.</p> <p>14 – The Taper 2 – Restriction to Band D 4 – Minimum CTR</p> <p>Taking each measure separately there are 1,230 households where the</p>		<p>Taking each measure separately 18 households where the occupant’s claims as a same sex couple would have to pay more Council Tax as a result of these changes.</p> <p>Taking each measure separately 1,230 households where the occupants are claiming as a different sex couples will have to pay more Council Tax as a result of these changes.</p> <p>As a proportion of the caseload people in different sex relationships are more</p>	<p>Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing information to organisations which support people with protected characteristics.</p> <p>Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need.</p>

	<b>Summary of data<sup>1</sup> about your service-users and/or staff</b>	<b>Summary of service-user and/or staff feedback<sup>1</sup></b>	<b>Impacts identified from data and feedback (actual and potential)<sup>1</sup></b>	<b>All potential actions to:</b> <ul style="list-style-type: none"> <li>• advance equality of opportunity,</li> <li>• eliminate discrimination, and</li> <li>• foster good relations</li> </ul>
	<p>occupants are claiming as a different sex couple.</p> <p>919 – The Taper 108 – Restriction to band D 203 – Minimum CTR</p> <p>As a proportion of the caseload people in difference sex relationships are more likely to be affected by each possible change than those in same sex relationships.</p>		likely to have to pay more Council Tax as a result of these changes than people in same sex relationships.	Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of council tax, budgeting and moving towards work.
<b>Marriage and civil partnership</b> (only in relation to due regard to the need to eliminate discrimination)	<p>Taking each measure separately there are 1,027 households where the claim is from a couple who would be affected by these changes</p> <p>735 – The Taper 85 – Restriction to band D 207 – Minimum CTR</p> <p>Taking each measure separately there are 1,980</p>		<p>Taking each measure separately 1,027 households where the claim is from a couple will have to pay more Council Tax</p> <p>Taking each measure separately 1,980 households where the claim is from a single person will have to pay more Council Tax.</p> <p>As a proportion of the</p>	<p>Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing information to organisations which support people with protected characteristics.</p> <p>Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if</p>

	<b>Summary of data<sup>1</sup> about your service-users and/or staff</b>	<b>Summary of service-user and/or staff feedback<sup>1</sup></b>	<b>Impacts identified from data and feedback (actual and potential)<sup>1</sup></b>	<b>All potential actions to:</b> <ul style="list-style-type: none"> <li>• advance equality of opportunity,</li> <li>• eliminate discrimination, and</li> <li>• foster good relations</li> </ul>
	<p>households where the claim is from a single person household</p> <p>1511 – The Taper 67 – Restriction to band D 402 – Minimum CTR</p> <p>The data shows that as a proportion of the caseload people who claim as a couple are more likely to be affected by all three proposed changes than people who claim as a single person.</p>		<p>caseload households where the claim is from a couple are more likely to have to pay more Council Tax than households where the claim is made by a single person.</p>	<p>they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need.</p> <p>Raise awareness of the discretionary fund with Revenues and Benefit Teams and our internal and external stakeholders.</p> <p>Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of council tax, budgeting and moving towards work.</p> <p>Single people affected by this change are entitled to claim an initial 25% discount from their bill which is not subject to a means test.</p>

	Summary of data <sup>1</sup> about your service-users and/or staff	Summary of service-user and/or staff feedback <sup>1</sup>	Impacts identified from data and feedback (actual and potential) <sup>1</sup>	All potential actions to: <ul style="list-style-type: none"> <li>• advance equality of opportunity,</li> <li>• eliminate discrimination, and</li> <li>• foster good relations</li> </ul>		
<b>Community Cohesion</b> (what must happen in all communities to enable different groups of people to get on well together.)	overall caseload	The Taper	Restriction to band D	£5 Minimum CTR	<p>This information will be fed into the work of the economic development team. CVS agencies who work in the most affected wards will be specifically briefed.</p> <p>The Financial Inclusion commission undertaken by the Policy and Communities team which commissioned Moneyworks Brighton and Hove undertook a detailed needs analysis of financial need in the city. This analysis was conducted against protected characteristic and by place. As a result services provided by Moneyworks Brighton &amp; Hove have specifically been commissioned to be provided in the areas of greatest financial need as reflected in the accompanying ward information.</p>	
	East Brighton	183	3	50		
	Queens Park	1312	138	5		40
	St Peter's & North Laine	1003	145	7		48
	Moulsecoomb & Bevendean	1096	146	0		40
	Hollingdean & Stanmer	1011	111	2		28
	Hangleton & Knoll	849	149	10		33
	Hanover & Elm Grove	737	93	10		29
	Goldsmid	740	135	17		39
	Brunswick & Adelaide	534	109	9		22
	Regency	524	93	3		29
	Central Hove	544	94	0		28
	North Portslade	499	74	5		29
	South Portslade	541	93	0		17
	Preston Park	441	80	11		25
	Patcham	461	92	16		23
	Westbourne	456	75	8		31
	Woodingdean	419	71	11		20
	Wish	411	84	6		24
	Rottingdean Coastal	356	78	28		20
Withdean	344	65	15	12		
Hove Park	154	39	32	7		

	<b>Summary of data<sup>1</sup> about your service-users and/or staff</b>	<b>Summary of service-user and/or staff feedback<sup>1</sup></b>	<b>Impacts identified from data and feedback (actual and potential)<sup>1</sup></b>	<b>All potential actions to:</b> <ul style="list-style-type: none"> <li>• advance equality of opportunity,</li> <li>• eliminate discrimination, and</li> <li>• foster good relations</li> </ul>
<p><b>Other relevant groups</b> eg: Carers, people experiencing domestic and/or sexual violence, substance misusers, homeless people, looked after children, ex-armed forces personnel etc</p>	<p>These groups are not specifically identified within CTR data.</p> <p>Households with children</p> <p>Taking each measure separately 1996 Households which contain children would be affected by these measures:</p> <p>The Taper – 1552 Restriction to band D – 117 £5 minimum CTR – 327</p> <p>As a proportion of the caseload households containing children are more likely to be impacted by</p>		<p>All customers in this group will have to pay more council tax</p> <p>Children to whom the authority is parent are protected when they leave the care through automatic access to the discretionary fund.</p> <p>Taking each measure separately 1996 households with children will have to pay more council tax as a result of these changes. As a proportion of the caseload households containing children are more likely to have to pay a higher amount of</p>	<p>There are provisions within the CTR scheme which recognise and account for the issues faced by carers of disabled people, namely the carers premium which increases a carers applicable amount.</p> <p>The Revenues and Benefits team will continue to pro-actively consider children who left care for the discretionary fund.</p> <p>Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing information to organisations which support people with protected characteristics.</p>



	<b>Summary of data<sup>1</sup> about your service-users and/or staff</b>	<b>Summary of service-user and/or staff feedback<sup>1</sup></b>	<b>Impacts identified from data and feedback (actual and potential)<sup>1</sup></b>	<b>All potential actions to:</b> <ul style="list-style-type: none"> <li>• advance equality of opportunity,</li> <li>• eliminate discrimination, and</li> <li>• foster good relations</li> </ul>
	these changes than households without children		council tax as a result of these changes than households without children.	<p>Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need.</p> <p>Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of council tax, budgeting and moving towards work.</p>
<b>Cumulative impact</b> (this is an impact that appears when you consider services or activities together. A change or activity in one area may create an	The reduction in funding for CTR should not be seen in isolation. For recipients of CTR it is fundamentally related to the government's other welfare reforms, the cost of living, the performance of the economy and the availability of work.		<p>Other welfare changes are due to start in late 2016/early 2017. They include:</p> <p>The decrease of the household Benefit Cap from November from £500 per week to £385 per week for families and from £350 per week to £258 per week for</p>	<p>Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of council tax, budgeting and moving towards work.</p> <p>Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or</p>

	Summary of data <sup>1</sup> about your service-users and/or staff	Summary of service-user and/or staff feedback <sup>1</sup>	Impacts identified from data and feedback (actual and potential) <sup>1</sup>	All potential actions to: <ul style="list-style-type: none"> <li>• advance equality of opportunity,</li> <li>• eliminate discrimination, and</li> <li>• foster good relations</li> </ul>
impact somewhere else)			<p>single people.</p> <p>The restriction of Benefits to the levels for two children from April 2017.</p> <p>The reduction in the amount people on Employment and Support Allowance Work Related Activity group will receive from April 2017.</p> <p>The CTR caseload has reduced reflecting national trends and the economic cycle.</p>	<p>translations. This will include providing information to organisations which support people with protected characteristics.</p> <p>Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need.</p>

	<b>Summary of data<sup>1</sup> about your service-users and/or staff</b>	<b>Summary of service-user and/or staff feedback<sup>1</sup></b>	<b>Impacts identified from data and feedback (actual and potential)<sup>1</sup></b>	<b>All potential actions to:</b> <ul style="list-style-type: none"> <li>• advance equality of opportunity,</li> <li>• eliminate discrimination, and</li> <li>• foster good relations</li> </ul>

**2. Prioritised Action Plan:**

**NB: These actions must now be transferred to service or business plans.**

Specific action	Evidence of progress / milestones	Lead officer	Timeframe
Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing specifically targeted and tailored information for specific groups to organisations which support people with protected characteristics.		Welfare Reform Programme Manager and Revenues and Benefits management team	
Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances.		Head of Revenues and Benefits	
Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of council tax, budgeting and moving towards work. services throughout the city.		Communities and Equalities team	
Ensure staff and advice services are skilled to advise people on the other statutory council tax discounts customers may be entitled to which would help mitigate some of the impacts of	The councils welfare rights team train other council staff providers of advice in the City on a number of subjects including Council Tax Reduction and other discounts	Welfare Reform Programme Manager	

<p>reduction of funding for CTR These include the discounts of 25% available for single occupants and the 100% discount which is referred to in legislation as being for people who are severely mentally impaired.</p>	<p>The Welfare Rights team are now part of the welfare hub and are co located in BARTS with the Discretionary Help and Advice Team, Special Accommodation Team, the Debt Prevention team and Welfare Reform Team. These teams each specialise in supporting and advising the cities most vulnerable citizens</p>		
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**EIA sign-off:** (to be final this section must be signed and the Publication Template completed – see Section 3 below)

**Lead Equality Impact Assessment officer:**

**Date:**

**Directorate Management Team rep:**

**Date:**

**Communities and Equality Team officer:**

**Date:**



# Unitary Authorities

Local Authority	LA area	CTR pays up to % of CT:	Savings limit	Second adult rebate reduced or abolished?	Support restricted to a particular council tax band?	Minimum weekly council tax support payment	Taper rate	Hardship fund
Medway	Unitary Authority	65%	£16,000	Yes	No	£0.00	20%	No
Peterborough	Unitary Authority	70%	£16,000	No	No	£0.00	20%	No
Stoke-on-Trent	Unitary Authority	70%	£6,000	Yes	Yes	£0.00	20%	Yes
Blackpool	Unitary Authority	73%	£16,000	Yes	No	£0.00	20%	Yes
Central Bedfordshire	Unitary Authority	75%	£16,000	Yes	No	£0.00	20%	Yes
Cheshire East	Unitary Authority	75%	£6,000	Yes	Yes	£2.00	20%	No
Cheshire West and Chester	Unitary Authority	75%	£6,000	Yes	Yes	£0.00	20%	Yes
Cornwall	Unitary Authority	75%	£6,000	Yes	Yes	£0.00	20%	Yes
East Riding of Yorkshire	Unitary Authority	75%	£16,000	Yes	No	£0.00	20%	Yes
Luton	Unitary Authority	75%	£16,000	Yes	No	£0.00	20%	Yes
North East Lincolnshire	Unitary Authority	75%	£6,000	Yes	Yes	£2.00	20%	Yes
Rutland	Unitary Authority	75%	£10,000	Yes	Yes	£0.00	25%	Yes
Southampton	Unitary Authority	75%	£16,000	No	No	£0.00	25%	Yes
Southend-on-Sea	Unitary Authority	75%	£6,000	Yes	No	£0.00	20%	Yes
Thurrock	Unitary Authority	75%	£6,000	Yes	No	£0.00	20%	No
Torbay	Unitary Authority	75%	£6,000	Yes	No	£0.00	20%	Yes
West Berkshire		75%	£16,000	Yes	Yes	£3.00	20%	No
North Somerset	Unitary Authority	76%	£16,000	No	No	£0.00	20%	No

<b>York</b>	<b>Unitary Authority</b>	78%	£16,000	Yes	No	£0.00	20%	No
<b>Bath and North East Somerset</b>	<b>Unitary Authority</b>	78%	£10,000	Yes	Yes	£0.00	20%	No
<b>Halton</b>	<b>Unitary Authority</b>	78%	£16,000	No	No	£0.00	20%	Yes
<b>Telford and Wrekin</b>	<b>Unitary Authority</b>	79%	£6,000	Yes	No	£2.50	20%	Yes
<b>Blackburn with Darwen</b>	<b>Unitary Authority</b>	80%	£16,000	No	No	£0.00	20%	Yes
<b>Bournemouth</b>	<b>Unitary Authority</b>	80%	£16,000	Yes	No	£0.50	20%	Yes
<b>Bracknell Forest</b>	<b>Unitary Authority</b>	80%	£16,000	Yes	No	£0.00	21%	Yes
<b>Brighton and Hove</b>	<b>Unitary Authority</b>	80%	£6,000	No	No	£0.00	20%	Yes
<b>Darlington</b>	<b>Unitary Authority</b>	80%	£16,000	Yes	No	£0.00	20%	Yes
<b>Derby</b>	<b>Unitary Authority</b>	80%	£6,000	Yes	Yes	£4.00	20%	Yes
<b>Isle of Wight</b>	<b>Unitary Authority</b>	80%	£6,000	Yes	No	£0.00	20%	Yes
<b>Kingston upon Hull, City of</b>	<b>Unitary Authority</b>	80%	£16,000	Yes	No	£0.00	20%	No
<b>Leicester</b>	<b>Unitary Authority</b>	80%	£6,000	Yes	Yes	£3.70	20%	Yes
<b>Middlesbrough</b>	<b>Unitary Authority</b>	80%	£16,000	Yes	No	£0.00	20%	No
<b>Milton Keynes</b>	<b>Unitary Authority</b>	80%	£6,000	Yes	No	£0.00	20%	Yes
<b>Nottingham</b>	<b>Unitary Authority</b>	80%	£16,000	Yes	No	£0.50	20%	No
<b>Plymouth</b>	<b>Unitary Authority</b>	80%	£6,000	Yes	Yes	£0.00	20%	No
<b>Poole</b>	<b>Unitary Authority</b>	80%	£16,000	Yes	Yes	£0.50	20%	Yes
<b>Portsmouth</b>	<b>Unitary Authority</b>	80%	£16,000	No	No	£0.00	25%	Yes
<b>Reading</b>	<b>Unitary Authority</b>	80%	£6,000	Yes	Yes	£5.00	20%	Yes
<b>Redcar and Cleveland</b>	<b>Unitary Authority</b>	80%	£16,000	Yes	No	£0.00	20%	No
<b>Slough</b>	<b>Unitary Authority</b>	80%	£16,000	Yes	Yes	£0.00	20%	Yes
<b>South Gloucestershire</b>	<b>Unitary Authority</b>	80%	£6,000	Yes	No	£0.00	Less income bands	No
<b>Stockton-on-Tees</b>	<b>Unitary Authority</b>	80%	£16,000	Yes	No	£0.00	20%	No
<b>Swindon</b>	<b>Unitary Authority</b>	80%	£6,000	Yes	Yes	£0.00	20%	No
<b>Wiltshire</b>	<b>Unitary Authority</b>	80%	£10,000	Yes	No	£0.00	15%	Yes



Herefordshire, County of	Unitary Authority	84%	£6,000	Yes	Yes	£0.00	20%	No
North Lincolnshire	Unitary Authority	87%	£16,000	No	No	£0.00	20%	Yes
Hartlepool	Unitary Authority	88%	£16,000	Yes	No	£0.00	20%	Yes
Windsor and Maidenhead	Unitary Authority	90%	£16,000	No	No	£0.00	25%	No
Wokingham	Unitary Authority	90%	£16,000	Yes	Yes	£3.00	25%	Yes
Warrington	Unitary Authority	92%	£16,000	No	No	£0.00	20%	No
Bedford	Unitary Authority	100%	£8,000	Yes	Yes	£0.00	20%	No
Bristol, City of	Unitary Authority	100%	£16,000	No	No	£0.00	20%	No
County Durham	Unitary Authority	100%	£16,000	No	No	£0.00	20%	No
Isles of Scilly	Unitary Authority	100%	£16,000	No	No	£0.00	20%	No
Northumberland	Unitary Authority	100%	£16,000	No	No	£0.00	20%	No
Shropshire	Unitary Authority	100%	£10,000	Yes	No	£0.00	20%	No

# Inner London Authorities

Local Authority	LA area	CTR pays up to % of CT:	Savings limit	Second adult rebate reduced or abolished?	Support restricted to a particular council tax band?	Minimum weekly council tax support payment	Taper rate	Hardship fund
Wandsworth	Inner London	70%	£16,000	Yes	No	£0.00	20%	No
Newham	Inner London	80%	£16,000	Yes	No	£0.00	20%	No
Haringey	Inner London	80%	£10,000	No	No	£1.00	20%	No
Lambeth	Inner London	84%	£16,000	Yes	No	£5.00	25%	No
Hackney	Inner London	85%	£16,000	Yes	No	£0.00	20%	No

<b>Southwark</b>	<b>Inner London</b>	85%	£16,000	Yes	No	£0.00	20%	No
<b>Islington</b>	<b>Inner London</b>	92%	£16,000	No	No	£0.00	20%	Yes
<b>Lewisham</b>	<b>Inner London</b>	97%	£16,000	Yes	No	£0.00	20%	Yes
<b>City of London</b>	<b>Inner London</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Hammersmith and Fulham</b>	<b>Inner London</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Kensington and Chelsea</b>	<b>Inner London</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Tower Hamlets</b>	<b>Inner London</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Westminster</b>	<b>Inner London</b>	100%	£16,000	No	No	£0.00	20%	No

## Outer London Authorities

<b>Local Authority</b>	<b>LA area</b>	<b>CTR pays up to % of CT:</b>	<b>Savings limit</b>	<b>Second adult rebate reduced or abolished?</b>	<b>Support restricted to a particular council tax band?</b>	<b>Minimum weekly council tax support payment</b>	<b>Taper rate</b>	<b>Hardship fund</b>
<b>Harrow</b>	<b>Outer London</b>	70%	£16,000	Yes	No	£2.00	30%	No
<b>Bromley</b>	<b>Outer London</b>	75%	£16,000	No	No	£0.00	20%	No
<b>Ealing</b>	<b>Outer London</b>	75%	£8,000	Yes	No	£0.00	20%	Yes
<b>Enfield</b>	<b>Outer London</b>	75%	£6,000	Yes	No	£0.00	20%	Yes
<b>Hillingdon</b>	<b>Outer London</b>	75%	£16,000	Yes	No	£0.00	20%	No
<b>Waltham Forest</b>	<b>Outer London</b>	76%	£6,000	No	No	£0.00	25%	Yes
<b>Barnet</b>	<b>Outer London</b>	80%	£16,000	Yes	No	£0.00	20%	Yes
<b>Bexley</b>	<b>Outer London</b>	80%	£16,000	No	No	£0.00	20%	Yes
<b>Brent</b>	<b>Outer London</b>	80%	£6,000	Yes	No	£0.00	30%	No
<b>Sutton</b>	<b>Outer London</b>	83%	£10,000	Yes	Yes	£0.00	25%	Yes

<b>Croydon</b>	<b>Outer London</b>	85%	£8,000	Yes	Yes	£0.00	20%	Yes
<b>Greenwich</b>	<b>Outer London</b>	85%	£16,000	No	No	£0.00	20%	No
<b>Havering</b>	<b>Outer London</b>	85%	£6,000	Yes	Yes	£0.00	20%	No
<b>Redbridge</b>	<b>Outer London</b>	85%	£16,000	Yes	No	£2.00	20%	Yes
<b>Hounslow</b>	<b>Outer London</b>	92%	£16,000	No	No	£0.00	20%	No
<b>Richmond upon Thames</b>	<b>Outer London</b>	95%	£16,000	Yes	Yes	£0.00	20%	No
<b>Kingston upon Thames</b>	<b>Outer London</b>	100%	£16,000	Yes	No	£0.00	20%	No
<b>Merton</b>	<b>Outer London</b>	100%	£16,000	No	No	£0.00	20%	No

## Met County Authorities

<b>Local Authority</b>	<b>LA area</b>	<b>CTR pays up to % of CT:</b>	<b>Savings limit</b>	<b>Second adult rebate reduced or abolished?</b>	<b>Support restricted to a particular council tax band?</b>	<b>Minimum weekly council tax support payment</b>	<b>Taper rate</b>	<b>Hardship fund</b>
<b>Barnsley</b>	<b>South Yorkshire (Met County)</b>	70%	£16,000	Yes	No	£0.00	20%	No
<b>South Tyneside</b>	<b>Tyne and Wear (Met County)</b>	70%	£16,000	No	No	£0.00	20%	No
<b>Wakefield</b>	<b>West Yorkshire (Met County)</b>	70%	£16,000	Yes	No	£1.00	20%	No
<b>Tameside</b>	<b>Greater Manchester (Met County)</b>	75%	£16,000	Yes	Yes	£0.00	20%	Yes
<b>Walsall</b>	<b>West Midlands (Met County)</b>	75%	£16,000	No	No	£0.00	20%	No
<b>Bradford</b>	<b>West Yorkshire (Met County)</b>	75%	£16,000	No	No	£0.00	20%	No

<b>Leeds</b>	<b>West Yorkshire (Met County)</b>	75%	£16,000	Yes	No	£0.00	20%	No
<b>Sheffield</b>	<b>South Yorkshire (Met County)</b>	77%	£16,000	Yes	No	£0.00	20%	Yes
<b>Wirral</b>	<b>Merseyside (Met County)</b>	78%	£6,000	Yes	No	£0.00	20%	No
<b>Wolverhampton</b>	<b>West Midlands (Met County)</b>	78%	£6,000	Yes	Yes	£0.00	23%	Yes
<b>Rochdale</b>	<b>Greater Manchester (Met County)</b>	80%	£16,000	Yes	Yes	£0.00	20%	Yes
<b>Wigan</b>	<b>Greater Manchester (Met County)</b>	80%	£12,000	Yes	No	£0.00	20%	Yes
<b>Knowsley</b>	<b>Merseyside (Met County)</b>	80%	£16,000	Yes	No	£0.00	20%	Yes
<b>St. Helens</b>	<b>Merseyside (Met County)</b>	80%	£16,000	Yes	Yes	£1.00	20%	No
<b>Birmingham</b>	<b>West Midlands (Met County)</b>	80%	£16,000	No	No	£0.00	20%	Yes
<b>Dudley</b>	<b>West Midlands (Met County)</b>	80%	£16,000	No	No	£0.00	20%	No
<b>Kirklees</b>	<b>West Yorkshire (Met County)</b>	80%	£16,000	Yes	No	£0.00	20%	No
<b>Calderdale</b>	<b>West Yorkshire (Met County)</b>	81%	£16,000	No	No	£2.00	20%	Yes
<b>Sefton</b>	<b>Merseyside (Met County)</b>	84%	£6,000	Yes	No	£0.00	20%	Yes
<b>Manchester</b>	<b>Greater Manchester (Met County)</b>	85%	£16,000	Yes	No	£0.00	20%	Yes
<b>Oldham</b>	<b>Greater Manchester (Met County)</b>	85%	£16,000	Yes	Yes	£0.00	20%	No

<b>Salford</b>	<b>Greater Manchester (Met County)</b>	85%	£16,000	Yes	No	£1.00	25%	Yes
<b>Newcastle upon Tyne</b>	<b>Tyne and Wear (Met County)</b>	85%	£16,000	Yes	No	£1.00	20%	Yes
<b>Coventry</b>	<b>West Midlands (Met County)</b>	85%	£16,000	Yes	No	£0.00	20%	Yes
<b>North Tyneside</b>	<b>Tyne and Wear (Met County)</b>	90%	£16,000	Yes	No	£0.00	20%	No
<b>Liverpool</b>	<b>Merseyside (Met County)</b>	92%	£16,000	No	No	£0.00	20%	No
<b>Rotherham</b>	<b>South Yorkshire (Met County)</b>	92%	£16,000	Yes	No	£0.00	20%	No
<b>Gateshead</b>	<b>Tyne and Wear (Met County)</b>	92%	£16,000	Yes	No	£1.00	20%	Yes
<b>Sunderland</b>	<b>Tyne and Wear (Met County)</b>	92%	£16,000	Yes	No	£0.00	20%	No
<b>Bury</b>	<b>Greater Manchester (Met County)</b>	100%	£8,000	Yes	Yes	£1.00	20%	No
<b>Stockport</b>	<b>Greater Manchester (Met County)</b>	100%	£8,000	Yes	Yes	£1.00	20%	Yes
<b>Trafford</b>	<b>Greater Manchester (Met County)</b>	100%	£16,000	Yes	Yes	£5.00	30%	Yes
<b>Doncaster</b>	<b>South Yorkshire (Met County)</b>	100%	£16,000	Yes	No	£0.00	30%	Yes
<b>Sandwell</b>	<b>West Midlands (Met County)</b>	100%	£6,000	Yes	Yes	£1.00	20%	No
<b>Solihull</b>	<b>West Midlands (Met County)</b>	100%	£16,000	No	No	£0.00	20%	No

# Other Authorities

Local Authority	LA area	CTR pays up to % of CT:	Savings limit	Second adult rebate reduced or abolished?	Support restricted to a particular council tax band?	Minimum weekly council tax support payment	Taper rate	Hardship fund
Kettering	Northamptonshire	55%	£16,000	Yes	No	£0.00	20%	No
Castle Point	Essex	70%	£6,000	Yes	Yes	£0.00	20%	Yes
Surrey Heath	Surrey	70%	£6,000	Yes	Yes	£5.00	20%	Yes
Northampton	Northamptonshire	71%	£16,000	Yes	No	£0.00	20%	No
Rochford	Essex	72%	£6,000	Yes	Yes	£0.00	20%	Yes
Hyndburn	Lancashire	73%	£16,000	Yes	No	£0.00	20%	Yes
North Devon	Devon	75%	£6,000	Yes	Yes	£0.00	20%	Yes
Torridge	Devon	75%	£6,000	Yes	Yes	£0.00	20%	Yes
Basildon	Essex	75%	£16,000	No	Yes	£2.50	20%	Yes
Epping Forest	Essex	75%	£6,000	Yes	Yes	£0.50	20%	Yes
Dacorum	Hertfordshire	75%	£16,000	Yes	Yes	£0.00	20%	No
North Hertfordshire	Hertfordshire	75%	£16,000	No	No	£0.00	20%	Yes
Welwyn Hatfield	Hertfordshire	75%	£16,000	No	No	£0.00	20%	No
Boston	Lincolnshire	75%	£16,000	Yes	Yes	£0.00	20%	No
East Lindsey	Lincolnshire	75%	£16,000	Yes	Yes	£0.00	20%	No
South Holland	Lincolnshire	75%	£16,000	No	No	£0.00	20%	No
King's Lynn and West Norfolk	Norfolk	75%	£6,000	Yes	No	£0.00	20%	No
East Staffordshire	Staffordshire	75%	£10,000	Yes	Yes	£0.00	20%	No
Tamworth	Staffordshire	75%	£16,000	Yes	Yes	£0.00	20%	No
Spelthorne	Surrey	75%	£16,000	No	No	£0.00	20%	No

<b>Worthing</b>	<b>West Sussex</b>	75%	£16,000	No	No	£0.00	20%	Yes
<b>Braintree</b>	<b>Essex</b>	76%	£16,000	No	Yes	£0.00	20%	Yes
<b>Harlow</b>	<b>Essex</b>	76%	£6,000	Yes	No	£0.00	20%	Yes
<b>Chelmsford</b>	<b>Essex</b>	77%	£6,000	Yes	Yes	£0.00	20%	No
<b>Fylde</b>	<b>Lancashire</b>	77%	£16,000	No	No	£0.00	20%	Yes
<b>West Lancashire</b>	<b>Lancashire</b>	78%	£16,000	No	No	£0.00	20%	No
<b>Mid Sussex</b>	<b>West Sussex</b>	78%	£16,000	No	No	£0.00	15%	No
<b>Chiltern</b>	<b>Buckinghamshire</b>	80%	£16,000	Yes	Yes	£0.00	20%	Yes
<b>South Bucks</b>	<b>Buckinghamshire</b>	80%	£6,000	Yes	No	£0.00	20%	Yes
<b>Wycombe</b>	<b>Buckinghamshire</b>	80%	£6,000	Yes	No	£0.00	20%	Yes
<b>Huntingdonshire</b>	<b>Cambridgeshire</b>	80%	£16,000	Yes	No	£0.00	20%	No
<b>East Devon</b>	<b>Devon</b>	80%	£8,000	Yes	Yes	£0.00	20%	Yes
<b>Exeter</b>	<b>Devon</b>	80%	£6,000	Yes	No	£0.00	20%	Yes
<b>Mid Devon</b>	<b>Devon</b>	80%	£8,000	Yes	Yes	£0.00	20%	Yes
<b>South Hams</b>	<b>Devon</b>	80%	£16,000	Yes	No	£0.00	20%	Yes
<b>West Devon</b>	<b>Devon</b>	80%	£16,000	Yes	Yes	£0.00	20%	Yes
<b>Eastbourne</b>	<b>East Sussex</b>	80%	£16,000	Yes	No	£5.00	20%	Yes
<b>Lewes</b>	<b>East Sussex</b>	80%	£16,000	Yes	No	£5.00	20%	Yes
<b>Rother</b>	<b>East Sussex</b>	80%	£16,000	Yes	No	£5.00	20%	Yes
<b>Wealden</b>	<b>East Sussex</b>	80%	£6,000	Yes	No	£5.00	20%	No
<b>Brentwood</b>	<b>Essex</b>	80%	£16,000	No	Yes	£0.00	15%	Yes
<b>Colchester</b>	<b>Essex</b>	80%	£6,000	Yes	No	£1.00	20%	No
<b>Maldon</b>	<b>Essex</b>	80%	£6,000	Yes	Yes	£0.00	20%	Yes
<b>Tendring</b>	<b>Essex</b>	80%	£16,000	Yes	No	£0.00	20%	No
<b>Fareham</b>	<b>Hampshire</b>	80%	£16,000	Yes	Yes	£0.00	20%	No
<b>Gosport</b>	<b>Hampshire</b>	80%	£16,000	Yes	Yes	£0.00	20%	No
<b>Broxbourne</b>	<b>Hertfordshire</b>	80%	£16,000	Yes	Yes	£0.00	25%	No
<b>Hertsmere</b>	<b>Hertfordshire</b>	80%	£16,000	No	Yes	£0.00	20%	Yes
<b>Pendle</b>	<b>Lancashire</b>	80%	£16,000	No	No	£0.00	20%	Yes
<b>Preston</b>	<b>Lancashire</b>	80%	£16,000	No	No	£0.00	20%	Yes

<b>Rossendale</b>	<b>Lancashire</b>	80%	£16,000	No	No	£0.00	20%	Yes
<b>South Kesteven</b>	<b>Lincolnshire</b>	80%	£16,000	No	No	£0.00	20%	No
<b>Hambleton</b>	<b>North Yorkshire</b>	80%	£16,000	Yes	No	£0.00	20%	No
<b>Daventry</b>	<b>Northamptonshire</b>	80%	£16,000	No	No	£0.00	20%	No
<b>East Northamptonshire</b>	<b>Northamptonshire</b>	80%	£16,000	Yes	No	£0.00	20%	No
<b>Wellingborough</b>	<b>Northamptonshire</b>	80%	£16,000	Yes	No	£1.00	20%	No
<b>Newark and Sherwood</b>	<b>Nottinghamshire</b>	80%	£16,000	Yes	Yes	£0.00	20%	No
<b>Mendip</b>	<b>Somerset</b>	80%	£16,000	Yes	No	£0.00	20%	Yes
<b>Taunton Deane</b>	<b>Somerset</b>	80%	£6,000	Yes	Yes	£0.00	20%	Yes
<b>Cannock Chase</b>	<b>Staffordshire</b>	80%	£6,000	Yes	Yes	£0.00	20%	Yes
<b>Lichfield</b>	<b>Staffordshire</b>	80%	£6,000	No	Yes	£0.00	20%	No
<b>Newcastle-under-Lyme</b>	<b>Staffordshire</b>	80%	£6,000	Yes	Yes	£0.00	20%	No
<b>South Staffordshire</b>	<b>Staffordshire</b>	80%	£16,000	Yes	Yes	£0.00	20%	No
<b>Stafford</b>	<b>Staffordshire</b>	80%	£6,000	Yes	Yes	£0.00	20%	Yes
<b>Epsom and Ewell</b>	<b>Surrey</b>	80%	£10,000	Yes	No	£0.00	20%	Yes
<b>Runnymede</b>	<b>Surrey</b>	80%	£16,000	Yes	Yes	£5.00	20%	Yes
<b>Nuneaton and Bedworth</b>	<b>Warwickshire</b>	80%	£16,000	No	No	£0.00	20%	Yes
<b>Horsham</b>	<b>West Sussex</b>	80%	£16,000	Yes	Yes	£0.00	20%	No
<b>Bromsgrove</b>	<b>Worcestershire</b>	80%	£16,000	Yes	No	£0.00	20%	No
<b>Redditch</b>	<b>Worcestershire</b>	80%	£16,000	No	No	£0.00	20%	No
<b>Wychavon</b>	<b>Worcestershire</b>	80%	£16,000	Yes	No	£0.00	20%	No
<b>Wyre Forest</b>	<b>Worcestershire</b>	80%	£12,000	Yes	No	£0.50	20%	Yes
<b>Dartford</b>	<b>Kent</b>	82%	£16,000	No	No	£0.00	20%	No
<b>Gravesham</b>	<b>Kent</b>	82%	£16,000	No	No	£0.00	20%	No
<b>Sevenoaks</b>	<b>Kent</b>	82%	£16,000	No	No	£0.00	20%	No
<b>Shepway</b>	<b>Kent</b>	82%	£16,000	No	No	£0.00	20%	No
<b>Tonbridge and Malling</b>	<b>Kent</b>	82%	£16,000	No	No	£0.00	20%	No
<b>Tunbridge Wells</b>	<b>Kent</b>	82%	£16,000	No	No	£0.00	20%	No
<b>Burnley</b>	<b>Lancashire</b>	83%	£16,000	No	No	£0.00	20%	Yes
<b>South Ribble</b>	<b>Lancashire</b>	83%	£16,000	No	No	£0.00	20%	Yes



<b>Broadland</b>	<b>Norfolk</b>	83%	£16,000	Yes	No	£0.00	20%	Yes
<b>Swale</b>	<b>Kent</b>	85%	£16,000	No	No	£0.00	20%	No
<b>Blaby</b>	<b>Leicestershire</b>	85%	£16,000	Yes	No	£0.00	25%	Yes
<b>Charnwood</b>	<b>Leicestershire</b>	85%	£16,000	Yes	No	£0.00	20%	Yes
<b>Harborough</b>	<b>Leicestershire</b>	85%	£16,000	Yes	Yes	£0.00	20%	Yes
<b>North West Leicestershire</b>	<b>Leicestershire</b>	85%	£16,000	Yes	No	£0.00	20%	Yes
<b>Oadby and Wigston</b>	<b>Leicestershire</b>	85%	£16,000	Yes	No	£0.00	20%	No
<b>South Norfolk</b>	<b>Norfolk</b>	85%	£16,000	Yes	Yes	£0.00	20%	No
<b>Richmondshire</b>	<b>North Yorkshire</b>	85%	£16,000	Yes	No	£0.00	20%	No
<b>Sedgemoor</b>	<b>Somerset</b>	85%	£16,000	No	Yes	£1.00	20%	Yes
<b>South Somerset</b>	<b>Somerset</b>	85%	£6,000	Yes	Yes	£0.00	20%	Yes
<b>West Somerset</b>	<b>Somerset</b>	85%	£6,000	Yes	Yes	£0.00	20%	Yes
<b>Rugby</b>	<b>Warwickshire</b>	85%	£10,000	Yes	No	£1.00	20%	No
<b>Warwick</b>	<b>Warwickshire</b>	85%	£16,000	Yes	No	£0.00	20%	Yes
<b>Fenland</b>	<b>Cambridgeshire</b>	86%	£16,000	No	No	£0.00	20%	No
<b>Uttlesford</b>	<b>Essex</b>	88%	£16,000	Yes	No	£2.00	20%	Yes
<b>Scarborough</b>	<b>North Yorkshire</b>	88%	£16,000	No	No	£0.00	20%	No
<b>Ribble Valley</b>	<b>Lancashire</b>	88%	£16,000	No	No	£0.00	20%	No
<b>Hinckley and Bosworth</b>	<b>Leicestershire</b>	88%	£16,000	Yes	No	£0.00	20%	Yes
<b>Melton</b>	<b>Leicestershire</b>	88%	£16,000	Yes	No	£0.00	20%	Yes
<b>Maidstone</b>	<b>Kent</b>	89%	£16,000	No	No	£0.00	20%	No
<b>South Derbyshire</b>	<b>Derbyshire</b>	90%	£16,000	No	No	£0.00	20%	No
<b>New Forest</b>	<b>Hampshire</b>	90%	£6,000	Yes	Yes	£0.00	20%	No
<b>Rushmoor</b>	<b>Hampshire</b>	90%	£6,000	No	Yes	£0.00	20%	Yes
<b>Ashford</b>	<b>Kent</b>	90%	£16,000	No	No	£0.00	20%	No
<b>North Kesteven</b>	<b>Lincolnshire</b>	90%	£8,000	Yes	Yes	£3.50	30%	Yes
<b>West Lindsey</b>	<b>Lincolnshire</b>	90%	£16,000	Yes	No	£3.00	20%	No
<b>Craven</b>	<b>North Yorkshire</b>	90%	£16,000	Yes	No	£0.00	20%	No
<b>Selby</b>	<b>North Yorkshire</b>	90%	£16,000	Yes	No	£0.00	20%	Yes

<b>Bassetlaw</b>	<b>Nottinghamshire</b>	90%	£16,000	Yes	No	£0.00	20%	Yes
<b>Mansfield</b>	<b>Nottinghamshire</b>	90%	£16,000	Yes	No	£0.00	20%	Yes
<b>Elmbridge</b>	<b>Surrey</b>	90%	£16,000	Yes	Yes	£0.00	20%	No
<b>Reigate and Banstead</b>	<b>Surrey</b>	90%	£10,000	Yes	Yes	£5.00	20%	Yes
<b>East Cambridgeshire</b>	<b>Cambridgeshire</b>	92%	£16,000	Yes	No	£0.00	20%	No
<b>South Cambridgeshire</b>	<b>Cambridgeshire</b>	92%	£16,000	Yes	No	£0.00	20%	No
<b>Amber Valley</b>	<b>Derbyshire</b>	92%	£16,000	Yes	No	£0.00	20%	No
<b>Bolsover</b>	<b>Derbyshire</b>	92%	£16,000	No	No	£0.00	20%	No
<b>Chesterfield</b>	<b>Derbyshire</b>	92%	£16,000	Yes	No	£0.00	20%	No
<b>Derbyshire Dales</b>	<b>Derbyshire</b>	92%	£16,000	No	No	£0.00	20%	Yes
<b>Erewash</b>	<b>Derbyshire</b>	92%	£16,000	No	No	£0.00	20%	No
<b>North East Derbyshire</b>	<b>Derbyshire</b>	92%	£16,000	No	No	£0.00	20%	No
<b>Christchurch</b>	<b>Dorset</b>	92%	£16,000	No	No	£0.00	20%	No
<b>East Dorset</b>	<b>Dorset</b>	92%	£16,000	No	No	£0.00	20%	No
<b>North Dorset</b>	<b>Dorset</b>	92%	£16,000	No	No	£0.00	20%	No
<b>West Dorset</b>	<b>Dorset</b>	92%	£16,000	No	No	£0.00	20%	No
<b>Weymouth and Portland</b>	<b>Dorset</b>	92%	£16,000	No	No	£0.00	20%	No
<b>Cotswold</b>	<b>Gloucestershire</b>	92%	£6,000	Yes	Yes	£0.00	20%	Yes
<b>Havant</b>	<b>Hampshire</b>	92%	£16,000	No	No	£0.00	20%	No
<b>East Hertfordshire</b>	<b>Hertfordshire</b>	92%	£16,000	No	No	£0.00	20%	No
<b>Stevenage</b>	<b>Hertfordshire</b>	92%	£16,000	No	No	£0.00	20%	No
<b>Wyre</b>	<b>Lancashire</b>	92%	£16,000	No	No	£0.00	20%	No
<b>Breckland</b>	<b>Norfolk</b>	92%	£16,000	Yes	No	£0.00	20%	Yes
<b>Great Yarmouth</b>	<b>Norfolk</b>	92%	£16,000	No	No	£0.00	20%	Yes
<b>North Norfolk</b>	<b>Norfolk</b>	92%	£16,000	No	No	£0.00	20%	No
<b>Ryedale</b>	<b>North Yorkshire</b>	92%	£16,000	Yes	No	£0.00	20%	No
<b>Corby</b>	<b>Northamptonshire</b>	92%	£16,000	Yes	No	£0.00	20%	No
<b>South Northamptonshire</b>	<b>Northamptonshire</b>	92%	£16,000	No	No	£0.00	20%	No
<b>Rushcliffe</b>	<b>Nottinghamshire</b>	92%	£16,000	No	No	£0.00	20%	No

Vale of White Horse	Oxfordshire	92%	£6,000	Yes	Yes	£0.00	20%	Yes
West Oxfordshire	Oxfordshire	92%	£6,000	Yes	Yes	£0.00	20%	Yes
Staffordshire Moorlands	Staffordshire	92%	£16,000	Yes	No	£0.00	20%	No
Babergh	Suffolk	92%	£16,000	Yes	No	£0.00	20%	No
Forest Heath	Suffolk	92%	£16,000	Yes	No	£0.00	20%	No
Ipswich	Suffolk	92%	£16,000	Yes	No	£0.00	20%	No
St Edmundsbury	Suffolk	92%	£16,000	Yes	No	£0.00	20%	No
Suffolk Coastal	Suffolk	92%	£16,000	No	No	£0.00	20%	Yes
Waveney	Suffolk	92%	£16,000	No	No	£0.00	20%	No
North Warwickshire	Warwickshire	92%	£16,000	Yes	No	£0.00	20%	No
Purbeck	Dorset	92%	£16,000	No	No	£0.00	20%	No
Chorley	Lancashire	93%	£16,000	No	No	£0.00	20%	Yes
Dover	Kent	94%	£16,000	Yes	No	£0.00	20%	No
Thanet	Kent	95%	£16,000	Yes	No	£0.00	20%	No
Canterbury	Kent	95%	£16,000	Yes	No	£0.00	20%	No
Mid Suffolk	Suffolk	95%	£16,000	Yes	No	£0.00	20%	No
Cambridge	Cambridgeshire	100%	£16,000	Yes	No	£0.00	20%	No
Allerdale	Cumbria	100%	£16,000	No	No	£0.00	20%	No
Barrow-in-Furness	Cumbria	100%	£16,000	No	No	£0.00	20%	No
Carlisle	Cumbria	100%	£16,000	No	No	£0.00	20%	No
Copeland	Cumbria	100%	£16,000	No	No	£0.00	20%	No
Eden	Cumbria	100%	£16,000	No	No	£0.00	20%	No
South Lakeland	Cumbria	100%	£16,000	No	No	£0.00	20%	No
High Peak	Derbyshire	100%	£16,000	No	No	£0.00	20%	No
Teignbridge	Devon	100%	£6,000	Yes	Yes	£0.00	20%	No
Hastings	East Sussex	100%	£16,000	Yes	No	£5.00	20%	No
Cheltenham	Gloucestershire	100%	£16,000	No	No	£0.00	20%	No
Forest of Dean	Gloucestershire	100%	£16,000	No	No	£0.00	20%	No
Gloucester	Gloucestershire	100%	£16,000	No	No	£0.00	20%	No
Stroud	Gloucestershire	100%	£16,000	No	No	£0.00	20%	No

<b>Tewkesbury</b>	<b>Gloucestershire</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Basingstoke and Deane</b>	<b>Hampshire</b>	100%	£16,000	No	No	£0.00	20%	No
<b>East Hampshire</b>	<b>Hampshire</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Eastleigh</b>	<b>Hampshire</b>	100%	£6,000	Yes	Yes	£0.00	20%	No
<b>Hart</b>	<b>Hampshire</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Test Valley</b>	<b>Hampshire</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Winchester</b>	<b>Hampshire</b>	100%	£16,000	No	No	£0.00	20%	No
<b>St Albans</b>	<b>Hertfordshire</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Three Rivers</b>	<b>Hertfordshire</b>	100%	£8,000	No	Yes	£0.00	20%	No
<b>Watford</b>	<b>Hertfordshire</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Lancaster</b>	<b>Lancashire</b>	100%	£16,000	Yes	No	£0.00	20%	No
<b>Lincoln</b>	<b>Lincolnshire</b>	100%	£16,000	No	No	£0.00	20%	Yes
<b>Norwich</b>	<b>Norfolk</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Harrogate</b>	<b>North Yorkshire</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Ashfield</b>	<b>Nottinghamshire</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Broxtowe</b>	<b>Nottinghamshire</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Gedling</b>	<b>Nottinghamshire</b>	100%	£6,000	Yes	No	£0.00	20%	No
<b>Cherwell</b>	<b>Oxfordshire</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Oxford</b>	<b>Oxfordshire</b>	100%	£16,000	No	No	£0.00	20%	No
<b>South Oxfordshire</b>	<b>Oxfordshire</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Guildford</b>	<b>Surrey</b>	100%	£6,000	Yes	Yes	£10.00	20%	Yes
<b>Mole Valley</b>	<b>Surrey</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Tandridge</b>	<b>Surrey</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Waverley</b>	<b>Surrey</b>	100%	£16,000	Yes	Yes	£5.00	20%	No
<b>Woking</b>	<b>Surrey</b>	100%	£10,000	Yes	Yes	£5.00	20%	Yes
<b>Stratford-on-Avon</b>	<b>Warwickshire</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Adur</b>	<b>West Sussex</b>	100%	£16,000	No	No	£0.00	20%	No
<b>Arun</b>	<b>West Sussex</b>	100%	£16,000	No	No	£0.50	20%	Yes
<b>Chichester</b>	<b>West Sussex</b>	100%	£16,000	Yes	No	£1.00	20%	No
<b>Crawley</b>	<b>West Sussex</b>	100%	£9,000	Yes	No	£5.00	20%	Yes

<b>Malvern Hills</b>	<b>Worcestershire</b>	100%	£6,000	Yes	Yes	£10.00	20%	Yes
<b>Worcester</b>	<b>Worcestershire</b>	100%	£6,000	Yes	Yes	£5.00	20%	Yes

Source: [counciltaxsupport.org](http://counciltaxsupport.org)



Brighton & Hove City Council  
**Draft Council Tax Reduction Scheme  
for people of working age for  
consultation**

Published September 2016

## What is Council Tax Reduction?

Council Tax Reduction is a system for low income households to help pay towards Council Tax. You may get Council Tax Reduction if you pay Council Tax and your income and capital (savings and investments) are below a certain level.

People of pensionable age are assessed under national rules which the council cannot change. They will continue to have their Council Tax Reduction worked out in the same way as it is now. The council decides on the rules for working age people.

Brighton & Hove's Council Tax Reduction scheme acts as a discount against your Council Tax bill. The scheme aims to limit the impact the government's funding reduction has on the most vulnerable households in the city.

## Why is the council publishing this draft scheme?

The council is required to review the scheme every year to consider if changes need to be made which could affect how much residents need to pay. To consider making changes the council must publish a draft scheme and consult on any changes it proposes.

We need to have an agreed scheme in place by January 2017 and are now consulting on these draft proposals for 2017/18.

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Details of proposed changes to the Council Tax Reduction scheme	page 4
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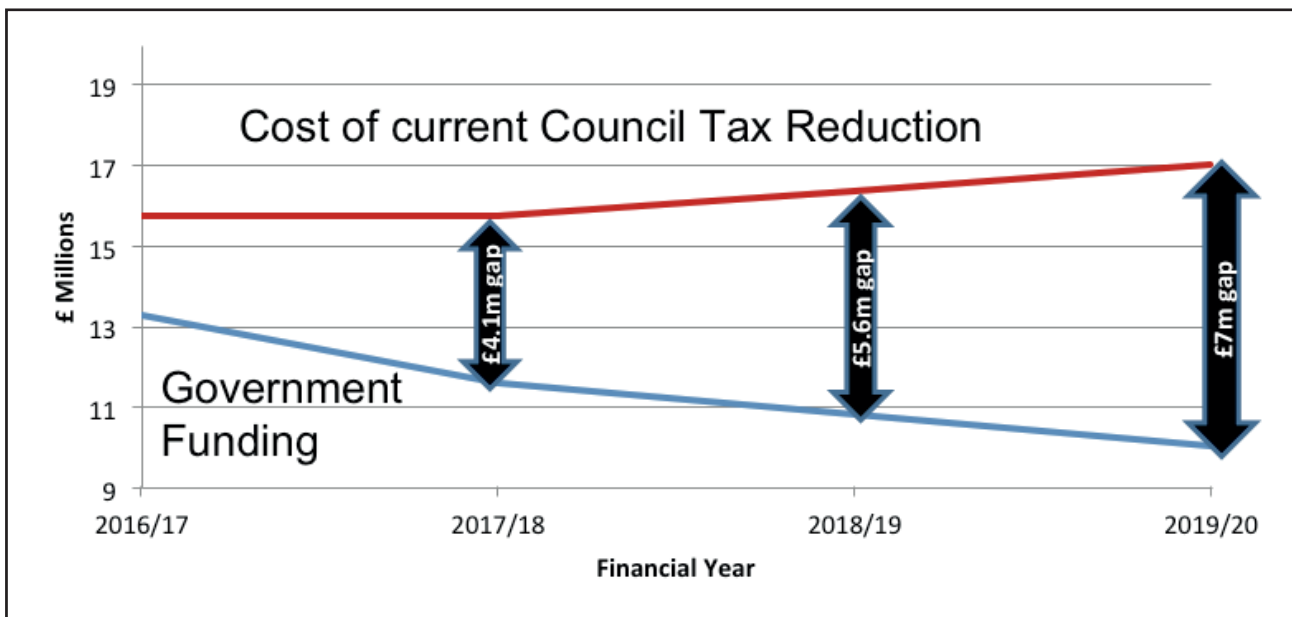
## Financial context

The government is continuing to reduce the grant it pays for these schemes, meaning there will be a shortfall of at least £4.1 million to help low income households in Brighton & Hove pay their Council Tax in 2017/18. The scheme set out proposes that the council will absorb around £3.8 million of this.

During the current financial year 2016/17, the council is set to absorb around £2.5 million of the funding shortfall from other council funds, with the rest paid by working age people who receive CTR.

Any increase in the amount the council funds will have an impact on other services run by the council.

The projected reduction in government funding for the scheme is shown below.



The government is also reducing funding for all council services and the budget over the next three years will be challenging. Costs will increase due to inflation, population change and rising demand for services, and this will result in a large funding gap.

The biggest budget challenge is on the services funded by Council Tax, Business Rates, government grants and fees and charges (our general fund). We currently spend around £381 million on a wide range of public services such as, social care for vulnerable children and adults, refuse and recycling, street cleaning, libraries and transport. This doesn't include the money we receive for schools, Housing Benefit and expenditure related to our council housing which is funded directly by tenant rents.

Due to the growing demand for services, inflation and, principally, the reduction in central government funding, we will need to address a budget gap of £44 million over the next three years. We are reducing costs and improving efficiency as much as possible but there are also many difficult choices to make around the services the council will be able to continue to provide or pay for.

## Council Tax Reduction for pensioners

There will be no changes for pensioners apart from the usual yearly uprating of allowances and premiums from April 2017. This will mean pensioners will continue to receive the same level of support they do now. These rules are set nationally and the council cannot change them.

## Council Tax Reduction for working age people

Decisions on who's eligible to receive help paying Council Tax under Council Tax Reduction (CTR) will continue to be based on a person's income and savings and the amount of Council Tax they pay.

We will continue to provide a discretionary fund to help the most vulnerable households to pay their Council Tax contribution in exceptional circumstances.

Proposed changes to Council Tax Reduction from April 2017 for working age people.

### The taper

When people start to receive more income than they would on Job Seekers Allowance, Income Support or Employment Support Allowance (often by working) their CTR goes down by £0.20p for every extra £1 they receive. This is called the taper.

It is proposed that the taper is increased from £0.20p to £0.25p. This means that for each extra £1 a person receives, their Council Tax Reduction will reduce by £0.25p rather than £0.20p.

### CTR will pay up to 80% of Council Tax Band D

Currently CTR will pay up to 80% of a household's Council Tax liability whichever Council Tax band their property is in. Council Tax bands go from A to H. Generally the larger and more valuable a property, the higher band it will be in.

It is proposed that CTR will be based on a maximum of a band D property including the separate maximum CTR payable. For example, at the moment the maximum rate of CTR a person can receive is 80% of their liability. This proposal would mean that the maximum CTR a working age household could receive would be 80% of the Council Tax liability for a Band D property.

### Minimum amount of CTR

Currently the smallest amount of CTR a household can receive is £0.01p per week.

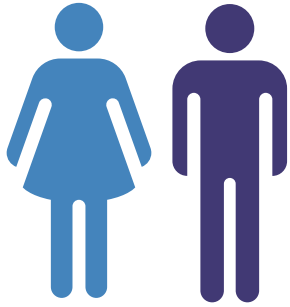
It is proposed that once CTR entitlement goes below £5 per week, it will then reduce to zero, which means the household would pay the full amount of Council Tax.

### Other national changes

In addition to these changes, the allowances and premiums in the CTR scheme for pensioners and working age people will be increased in line with national regulations.

### Examples:

The following examples are made-up cases to help explain how the proposed new scheme may affect you. The Council Tax figures quoted are based on the 2016/17 rates, which may be increased in 2017/18.

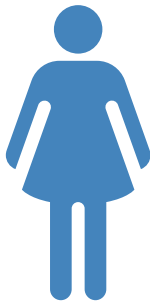


#### **Pensioners stay the same**

#### **Couple of pensionable age – the same level of support as now**

Michael and Pat are 73 and 71 respectively. They currently claim CTR and are entitled to a reduction of £15.63 a week, based on a means test of their income from state pensions, Michael’s work pension and Pat’s savings. The full liability for their Band B property is £24.35 per week so they are paying £8.72 a week in Council Tax.

Pensioners are assessed under national rules set by the government. Therefore, the reduction they are entitled to remains £15.63 and the amount they have to pay is still £8.72 a week.

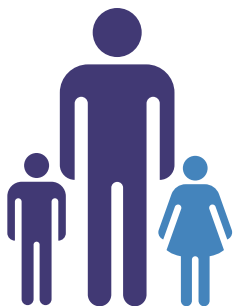


#### **Laura makes a claim for Council Tax Reduction No Council Tax to pay**

#### **Pensioner – new claim**

Laura is 68, she moves from Worthing to a new rented flat in Brighton in May 2015. Laura is on Pension Credit Guarantee Credit. Her new flat is a Band A property. When she moves she makes a claim for Council Tax Reduction.

As Laura is a pensioner and she is on Pension Credit Guarantee Credit, she receives full Council Tax Reduction and does not have to pay any Council Tax.

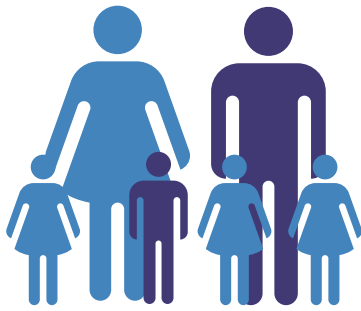


#### **Family in Band F property Maximum Band D rate applies**

#### **Single person with children in Band F property – Maximum CTR based on Band D**

Darren lives in a Band F property with his children. He is on Income Support and receives Child Benefit and Child Tax Credit. He receives a single person discount and claims CTR for help with his Council Tax. His Council Tax is £33.91 per week and he currently receives 80% of his Council Tax through CTR, which means he pays £6.78 per week.

From April 2017, it is proposed that CTR will be worked out based on a maximum rate of up to 80% of Band D. This means that he will have to pay £8.87 per week.



**Taper rate  
Increased to 25%**



**£5 minimum CTR  
Full Council Tax applies**

**Family affected by taper rate change**

Mahendi lives with her partner and children in a band D property. Mahendi earns £9,000 per year and the family also receive Child Benefit, Child Tax Credit and Working Tax Credit. Their Council Tax is £31.30 and they currently receive £11.76 CTR, which means they pay £19.54 per week.

From April 2017, it is proposed the taper rate is changed from 20% to 25%. This means that they will receive £8.44 CTR per week and have to pay £22.86.

**Person impacted by minimum amount of CTR**

Greg is single, lives in a Band A flat and works earning £125 per week. His weekly Council Tax is £15.65 per week and he receives CTR of £4.14, which means he pays £11.51 a week.

From April 2017, it is proposed that the minimum amount of CTR a person can receive is £5 per week. This means that Greg would no longer receive CTR and would have to pay the full Council Tax rate of £15.65 per week.

## Draft technical changes to Council Tax Reduction and Discretionary Council Tax Payment schemes.

The following sets out the draft technical changes which would be made to the Council Tax Reduction scheme if the changes set out in this report are agreed. The Executive Director of Finance & Resources will exercise delegated powers to make the following, or similar, changes to the schemes to give effect to any decision made.

Changes to:

### **The Council Tax Reduction Scheme (Persons who are not Pensioners) (Brighton & Hove City Council) 2013**

#### **Taper**

**38 (f) (ii)** *amount B is 2 6/7 per cent of the difference between his income for the relevant week and his applicable amount, and*

To be deleted and replaced with

**38 (f) (ii)** *amount B is 3 4/7 per cent of the difference between his income for the relevant week and his applicable amount, and*

#### **Limit to a band D property**

**47(1)(a)** *A is the amount set by the authority as the council tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; and*

To be deleted and replaced with

**47(1)(a)** *A is the amount set by the authority as the council tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act or the amount set for a band D property, whichever is the lower figure; and*

#### **Minimum £5 weekly award**

#### **41. Classes of person excluded from this scheme**

*The classes of person described in article 12, 13, 42 and 43 are not entitled to a reduction under this scheme.*

To be deleted and replaced with

#### **41. Classes of person excluded from this scheme**

*The classes of person described in article 12, 13, 42, 43 and 43B are not entitled to a reduction under this scheme.*

Insert:

**43B. Class of person excluded from this scheme: Minimum weekly award**

*Where Council Tax Reduction is payable it shall not be payable where the amount to which the person would otherwise be entitled is less than five pounds per week.*

**Transitional Protection**

**47A. Transitional Protection - entitlement**

- (1) An applicant is entitled to transitional protection calculated in accordance with article 47B where on the 31<sup>st</sup> March 2016 the applicant -*
- (a) is entitled to an award of council tax benefit, or*
  - (b) has a claim for council tax benefit that is yet to be determined, and the authority is satisfied that he will be so entitled*
- (2) This paragraph applies until an applicant's entitlement to transitional protection ends by virtue of -*
- (a) a change of address, or*
  - (b) the ending of entitlement to a reductions, or*
  - (c) the expiry of the authority's 2015 to 2016 financial year on 31<sup>st</sup> March 2017 or*
  - (d) where the council tax liability is reduced due to a rebanding or application of discount or exemption which is not Council Tax Reduction*
- whichever is soonest.*

**47B. Amount of transitional protection - entitlement**

- (1) The weekly amount of transitional protection is calculated in accordance with paragraphs (2) and (3)*
- (2) Where an applicant satisfies paragraph (1) of article 47A the amount of transitional protection is the amount in excess of £1.65 by which Amount A exceeds Amount B,*
- (3) For the purpose of this article -*
- (a) Amount A is the difference between the gross weekly liability for council tax a person is liable for and the persons maximum council tax reduction as set out in paragraph 47(1) as it is in force from 1<sup>st</sup> April 2016*
  - (b) Amount B is the difference between the gross weekly liability for council tax a person is liable for and the persons maximum council tax reduction as set out in paragraph 47(1) as it is in force between 1<sup>st</sup> April 2014 and 31<sup>st</sup> March 2016*

Delete and replace with:

**47A. Transitional Protection - entitlement**

- (1) *An applicant is entitled to transitional protection calculated in accordance with article 47B where on the 31<sup>st</sup> March 2017 the applicant -*
- (c) *is entitled to an award of council tax benefit, or*
- (d) *has a claim for council tax benefit that is yet to be determined, and the authority is satisfied that he will be so entitled*
- (2) *This paragraph applies until an applicant's entitlement to transitional protection ends by virtue of -*
- (e) *a change of address, or*
- (f) *the ending of entitlement to a reductions, or*
- (g) *the expiry of the authority's 2017 to 2018 financial year on 31<sup>st</sup> March 2018 or*
- (h) *where the council tax liability is reduced due to a rebanding or application of discount or exemption which is not Council Tax Reduction*
- whichever is soonest.*

**47B. Amount of transitional protection - entitlement**

- (1) *The weekly amount of transitional protection is calculated in accordance with paragraphs (2) and (3)*
- (2) *Where an applicant satisfies paragraph (1) of article 47A the amount of transitional protection is the amount in excess of £10.00 by which Amount A exceeds Amount B,*
- (3) *For the purpose of this article -*
- (c) *Amount A is the difference between the gross weekly liability for council tax a person is liable for and the persons maximum council tax reduction as set out in paragraph 47(1) as it is in force from 1<sup>st</sup> April 2017 caused by the amendment to paragraph 47(1)(a)*
- (d) *Amount B is the difference between the gross weekly liability for council tax a person is liable for and the persons maximum council tax reduction as set out in paragraph 47(1) as it is in force between 1<sup>st</sup> April 2014 and 31<sup>st</sup> March 2017*

Changes to:

**The Discretionary Council Tax Scheme (Brighton & Hove City Council) 2013**

Amendment so those excluded from CTR as a result of the £5 minimum amount can still apply for Discretionary Council Tax Reduction.

*5.1.1 is (or was) entitled to a reduction in the amount of council tax payable by that person under the Council's Council Tax Reduction Scheme and*

Delete and replace with

*5.1.1 is (or was) entitled to a reduction in the amount of council tax payable by that person under the Council's Council Tax Reduction Scheme, or would have been entitled to a reduction in the amount of*

Appendix 5 – Council Tax Reduction Scheme Review

*council tax payable by that person under the Council's Council Tax Reduction Scheme were it not for paragraph 43B of The Council Tax Reduction Scheme (Persons who are not Pensioners) (Brighton & Hove City Council) 2013*



<b>Subject:</b>	<b>Treasury Management Policy Statement 2016/17 (including Annual Investment Strategy 2016/17) – Mid Year Review</b>		
<b>Date of Meeting:</b>	<b>8 December 2016</b>		
<b>Report of:</b>	<b>Report of the Executive Director for Finance &amp; Resources</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>James Hengeveld</b>	<b>Tel: 29-1242</b>
	<b>Email:</b>	<b>james.hengeveld@brighton-hove.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE****1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The 2016/17 Treasury Management Policy Statement (TMPS), practices and schedules were approved by Policy & Resources Committee on 17 March 2016. The TMPS sets out the role of Treasury Management, whilst the practices and schedules set out the annual targets and methods by which these targets will be met.
- 1.2 The TMPS includes the Annual Investment Strategy (AIS) which sets out the key parameters for investing council cash funds and was approved by Full Council on 24 March 2016.
- 1.3 It is recommended good and proper practice that Members receive half yearly reports and review and endorse treasury management actions during the year. The purpose of this report is to advise of the action taken in the first half of 2015/16.

**2. RECOMMENDATIONS:**

- 2.1 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.
- 2.2 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.

**3. CONTEXT/ BACKGROUND INFORMATION*****Overview of Markets***

- 3.1 There has been considerable volatility in markets following the EU Referendum result. Initial market shocks led to the Monetary Policy Committee cutting interest

rates from 0.50% to 0.25% and implementing financial stimulus measures including an extension of quantitative easing. The Bank of England Governor, Mark Carney, highlighted that further support measures could be introduced to ease market sentiment. Since the measures introduced by the Bank of England in August 2016, surveys have shown a recovery in confidence, with growth expectations and confidence appearing to be stronger than originally forecast. However, fresh currency falls have driven up gilt yields and triggered concerns about rising inflation. As a result, markets are no longer pricing in further official rate cuts by the Bank of England.

- 3.2 The reduction in the Bank Rate has impacted on the investment rates that the council is able to access, particularly for short term investments. For example, Money Market Funds that the council uses have reduced from an average investment rate of 0.52% to around 0.32%. Officers had undertaken a number of longer term investments (up to one year) prior to the rate reduction which is protecting the average yield that will be achieved in 2016/17. However the overall rate of return of the council's investment portfolio will reduce as these investments mature. This will cause a pressure in 2017/18 which will be considered as part of the budget setting process. Officers are also closely monitoring cash flow forecasts to ensure funds are invested for an appropriate time horizon to ensure value is achieved.

#### ***Treasury Management Strategy***

- 3.3 A summary of the action taken in the 6 months to September 2016 is provided in Appendix 1 to this report and further information on borrowing and investment performance is shown in the September 2016 Bulletin at Appendix 2. The main points are:

- The council entered into £19.322m of new borrowing arrangements during the period: £4.322m to support the construction of the i360, £5.000m to externalise borrowing where the General Fund was borrowing from it's own reserves (i.e. 'under-borrowing'), and £10.000m to support the HRA Capital Programme;
- The highest risk indicator during the period was 0.037% which is below the maximum set of 0.050%;
- The return on investments by the in-house treasury team and cash manager has exceeded the target rates.
- The two borrowing limits approved by full Council have not been exceeded.

- 3.4 Treasury management activity in the half-year has focused on a short-term horizon as summarised in the table below:

	Amount invested 1 Apr 2016 to 30 Sep 2016			
	Fixed deposits	Money market funds & Call Accounts	Total	
Up to 1 week	-	£234.6m	£234.6m	87%
Between 1 week & 1 month	-	-	-	-
Between 1 month & 3 months	£10.5m	-	£10.5m	4%
Over 3 months	£20.7m	£4.5m	£25.2m	9%

	<b>£33.2m</b>	<b>£239.1m</b>	<b>£270.3m</b>	<b>100%</b>
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### **Summary of Treasury Activity April to September 2016**

- 3.5 The following table summarises the treasury activity in the half year to September 2016 compared to the corresponding period in the previous year.

April to September	2015/16	2016/17
Long-term borrowing entered into	(£12.0m)	(£19.3m)
Long-term borrowing repaid	£0.2m	£3.4m
Short-term borrowing repaid	-	-
Investments made	£273.6m	£270.3m
Investments maturing	(£255.3m)	(£246.8m)

- 3.6 The Financing Costs budget reported a £0.100m saving at Month 5. This includes a £0.150m saving due to an increase in investment income resulting from an increase in both cash balances and average rates received, which was offset by a £0.050m pressure as a result of bringing forward future years' borrowing to take advantage of attractive long term rates.

- 3.7 The following table summarises how the day-to-day cash flows in the first half-year have been funded compared to the same period in the previous year.

April to September	2015/16	2016/17
Cash flow surplus – general	£8.0m	£7.2m
<b>Net cashflow surplus</b>	<b>£8.0m</b>	<b>£7.2m</b>
Represented by:		
Increase in long-term borrowing	£11.8m	£15.9m
Decrease in short-term borrowing	(£2.0m)	-
Increase in investments	(£18.3m)	(£23.5m)
(Increase)/decrease in bank balance	£0.5m	£0.4m

### **Security of Investments**

- 3.8 A summary of investments made by the in-house treasury team and outstanding as at 30 September 2016 in the table below shows that investments continue to be held in good quality, short term instruments. The funds invested in BBB institutions included in the table below are invested in the part-nationalised banks which are backed by Government guarantees in line with the AIS.

'AAA' rated money market funds	£9.83m	13%
'AA' rated institutions	£3.00m	4%
'A' rated institutions	£62.27m	80%
'BBB' rated institutions	£2.50m	3%
<b>Total</b>	<b>£77.60m</b>	<b>100%</b>
Period – less than one week	£9.83m	13%
Period – between one week and one month	£6.00m	8%
Period – between one month and three months	£12.53m	16%
Period – between three months and 1 year	£49.24m	63%
<b>Total</b>	<b>£77.60m</b>	<b>100%</b>

**Risk**

- 3.9 As part of the investment strategy for 2016/17 the Council agreed a maximum risk benchmark of 0.050% i.e. there is a 99.95% probability that the council will get its investments back. The benchmark is a simple target that measures the risk based on the financial standing of counterparties and length of each investment based on historic default rates. The actual risk indicator has varied between 0.027% and 0.037% between April 2016 and September 2016. It should be remembered however that the benchmark is an average risk of default measure, and does not constitute an expectation of loss against a particular investment.
- 3.10 In January 2016, Internal Audit undertook an audit of the treasury management function. The audit concluded that “reasonable assurance” is provided on the effectiveness of the control framework operating and mitigating risks for treasury management. Action has been undertaken to address the recommendations of the audit.

**Performance**

- 3.11 The following table summarises the performance on investments compared with the budgeted position and the benchmark rate.

(*) Annualised rates	In-house investments		Cash manager investments	
	Average balance	Average rate (*)	Average balance	Average rate (*)^
Budget 2016/17– full year*	£66.1m	0.60%	£25.7m	1.00%
Actual to end Sept 2016	£89.8m	0.80%	£25.8m	1.32%
Benchmark rate (i.e. 7 day LIBID Rate) to end Sept 2016	-	0.28%	-	0.32%

\* This is an average for the full year –profile of balances are higher in the first half of the year and are expected to reduce over the financial year

^The Cash Manager average rates are gross of fees. Fees are deducted at 0.15%

- 3.12 The return on the cash manager funds had been declining, which triggered a review and options appraisal by officers, supported by the council’s treasury advisors. Officers reported to Budget Review Group in September 2016 to outline intentions and the next step to the review. The options appraisal concluded that a formal selection process should be undertaken to ensure value for money and security is being obtained from the funds. Officers will be asking Capita Asset Services to undertake a selection process for Corporate Bond Funds and Enhanced Cash Funds. The council is able to provide the investment parameters for the selection process, including an “ethical overlay” to ensure potential funds meet the council’s ethical investment policy. The cost of this process will be approximately £2,500 which will be met by the Financing Costs budget.
- 3.13 The options review also concluded that direct investment into corporate bonds was an appropriate alternative to diversify the council’s portfolio. The 2017/18 Annual Investment Strategy will be amended to define the investment criteria and parameters for investment into corporate bonds.
- 3.14 Since the review was undertaken, the cash manager’s return has improved significantly, but this is likely to be a short term effect of the increase in value of

the assets of the portfolio as a result of a decrease in the yield arising from the fall in interest rates. Officers will closely monitor the trend of the return. The selection process will be delayed until officers are confident that the improvement is a short term issue.

- 3.15 The council is part of a regional benchmark club which shares investment strategies and performance on a confidential basis. The latest benchmarking data demonstrates that the council's investment portfolio is performing well in a challenging investment climate.

### ***Borrowing Strategy***

- 3.16 Over recent years the council has been following a strategy of repaying debt and funding its borrowing requirement through utilising cash balances which were supporting the council's reserves and balances. This is a prudent strategy which has allowed the council to minimise the cost of carry on its borrowing, and reduce its counterparty exposure risk. The approach changed in 2015/16, and the strategy included undertaking £20m of General Fund borrowing over the next 4 years to reduce the council's under-borrowing position. This was to take advantage of low interest rates at a time where interest rates were expected to rise in the medium term. Additionally, reserves forecasts demonstrated that certain reserves supporting the under-borrowing position are expected to be drawn down in the Medium Term Financial Plan.
- 3.17 To aid the decision as to whether or not to borrow, an analysis of interest rate projections was undertaken with the council's treasury advisers to determine 'trigger rates' that would be closely monitored. Following the trigger rates being activated in 2015/16, £15.0m of this borrowing requirement was undertaken. Further trigger rates were set and activated in 2016/17 for both the General Fund and the HRA and a further £5.0m of General Fund borrowing was undertaken to reduce the under borrowing as well as £10.0m HRA borrowing to fund the 2016/17 capital programme.
- 3.18 Bringing forward the General Fund borrowing requirement has allowed the council to undertake borrowing at attractive long term rates. There is a short term additional cost of bringing this borrowing forward which has been included in the Financing Costs budget projections. The General Fund's average cost of borrowing (excluding i360) has reduced from 4.82% to 4.46% which creates permanent revenue savings of £86,000.

### ***Treasury Advisors***

- 3.19 The council's current contract for treasury advisory services is with Capita Asset Services.

## **4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 4.1 This report sets out action taken in the 6 months to September 2016. Treasury management actions have been carried out within the parameters of the AIS, TMPS and Prudential Indicators. Therefore no alternative options have been considered.

## 5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 The council's external treasury advisors have been consulted over the content of this report. No other consultation was necessary.

## 6. CONCLUSION

- 6.1 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 that requirement.

## 7. FINANCIAL & OTHER IMPLICATIONS:

### Financial Implications:

- 7.1 The financial implications of treasury management activity are reflected in the financing costs budget set out in paragraph 3.6.

*Finance Officer Consulted: James Hengeveld*

*Date: 04/11/16*

### Legal Implications:

- 7.2 The TMPS and associated actions are exercised under powers given to the council by Part 1 of the Local Government Act 2003 which includes the power for a local authority to invest for the purposes of the prudent management of its financial affairs (section 12).

*Lawyer Consulted: Elizabeth Culbert*

*Date: 14.11.16*

### Equalities, Sustainability and other significant implications:

- 7.3 There are no direct implications arising from this report.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. A summary of the action taken in the period April 2016 to September 2016
2. September 2016 Treasury Management Bulletin

### **Documents in Members' Rooms**

None

### **Background Documents**

1. Part I of the Local Government Act 2003 and associated regulations
2. The Treasury Management Policy Statement and associated schedules 2016/17 approved by Policy & Resources Committee on 17 March 2016
3. The Annual Investment Strategy 2016/17 approved by full Council on 24 March 2016
4. Treasury Management Policy Statement 2015/16 (including Annual Investment Strategy 2015/16) – End of year Review approved by Policy, Resources & Growth Committee on 14 July 2016
5. Papers held within Financial Services, Finance & Resources Directorate
6. The Prudential Code for Capital Finance in Local Authorities published by CIPFA 2011





## Summary of action taken in the period April to September 2016

### Treasury Management Strategy

#### ***New long term borrowing***

£19.322 of new debt was undertaken during the first 6 months.

#### ***Debt maturity***

£3.424m of long-term borrowing was repaid in the first 6 months.

Lender options where the lender has the exclusive option to request an increase in the loan interest rate and the council has the right to reject the higher rate and repay instead (LOBO), on 4 loans were due in the 6 month period but no option was exercised.

Three of the council's LOBO loans were converted to fixed rate loans during the period by the lender.

#### ***Debt restructuring***

Opportunities to restructure the debt portfolio are severely restricted under changes introduced by the Public Works Loan Board in October 2007. No restructuring was undertaken in the first 6 months.

#### ***Weighted average maturity profile***

The weighted average maturity period of the portfolio has increased slightly from 29.5 years to 30.2 years as a result of the changes in the debt portfolio over the last 6 months.

#### ***Capital financing requirement***

The prudential code introduces a number of indicators that compare borrowing with the capital financing requirement (CFR) – the CFR being amount of capital investment met from borrowing that is outstanding. Table 1 compares the CFR with actual borrowing.

Table 1 – Capital financing requirement compared to debt outstanding

	1 April 2016	30 Sept 2016	Movement in period
Capital financing requirement (CFR)	£346.7m		
Less PFI element	(£53.9m)		
Net CFR	£292.8m	<sup>(*)</sup> £310.5m	£17.7m
Long-term debt	£245.1m	<sup>(**)</sup> £261.0m	£15.9m
O/s debt to CFR (%)	83.7%	84.1%	0.4%

<sup>(\*)</sup> projected 31 March 2017

<sup>(\*\*)</sup> As at 30 Sept 2016

Traditionally, the level of borrowing outstanding is at or near the maximum permitted in order to reduce the risk that demand for capital investment (and hence resources) falls in years when long-term interest rates are high (i.e. interest rate risk). However given the continued volatility and uncertainty within the financial markets, the council has maintained the strategy of keeping borrowing at much lower levels (as investments are used to repay debt). Currently outstanding debt represents 84.1% of the projected

capital financing requirement.

**Cash flow debt / investments**

The TMPS states that “The council will maintain an investment portfolio that is consistent with its long term funding requirements, spending plans and cash flow movements.”

An analysis of the cash flows reveals a net surplus for the first 6 months of £7.2m. The surplus has been used to increase investments (Table 2).

Table 2 – Cash flow April to September 2016

	Payments	Receipts	Net cash
Total for period	£457.8m	£465.0m	+£7.2m
Represented by:			
Increase in long term borrowing			-£15.9m
Increase in investments			+£23.5m
Decrease in balance at bank			-£0.4m
			+£7.2m

**Prudential indicators**

Budget Council approved a series of prudential indicators for 2016/17 at its meeting on 25 February 2016. Taken together, the indicators demonstrate that the council’s capital investment plans are affordable, prudent and sustainable.

In terms of treasury management the main indicators are the ‘authorised limit’ and ‘operational boundary’. The authorised limit is the maximum level of borrowing that can be outstanding at any one time. The limit is a statutory requirement as set out in the Local Government Act 2003. The limit includes ‘headroom’ for unexpected borrowing resulting from adverse cash flow.

The operational boundary represents the level of borrowing needed to meet the capital investment plans approved by the council. Effectively it is the authorised limit minus the headroom and is used as an in-year monitoring indicator to measure actual borrowing requirements against budgeted forecasts.

Table 3 compares both indicators with the maximum debt outstanding in the first half year.

Table 3 – Comparison of outstanding debt with Authorised Limit and Operational Boundary 2016/17

	Authorised limit	Operational boundary
Indicator set	£404.0m	£392.0m
Less PFI element	-£54.0m	-£54.0m
Indicator less PFI element	£350.0m	£338.0m
Maximum amount o/s in first half of year	£264.0m	£264.0m
Variance	<sup>(*)</sup> £86.0m	£74.0m

<sup>(\*)</sup> can not be less than zero

## **Performance**

The series of charts in Appendix 2 provide a summary of the performance for both the debt and investment portfolios.



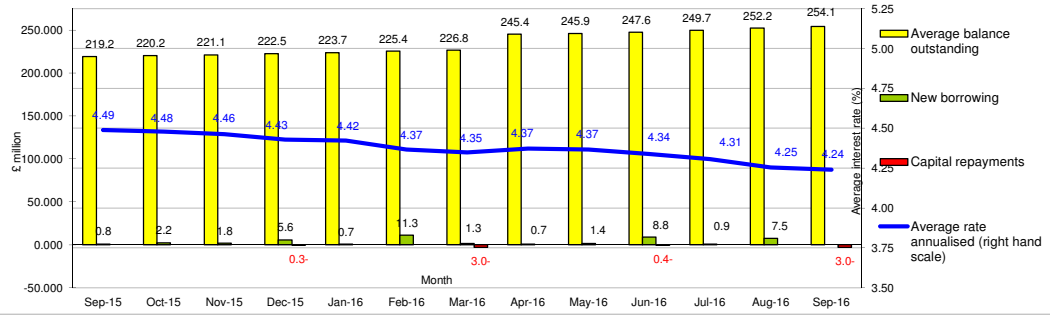
The graphs below show the monthly averages of borrowing and investments outstanding, monthly cashflows and the average monthly cost/return on debt/investments, over a thirteen month period.

**Graph 1**

This graph shows the average monthly balance outstanding on long term debt, together with the average cost.

It also shows the amount of new long term debt raised and the repayment of long term borrowing.

**Graph 1 Long Term Debt Outstanding**  
Monthly averages



**Graph 2**

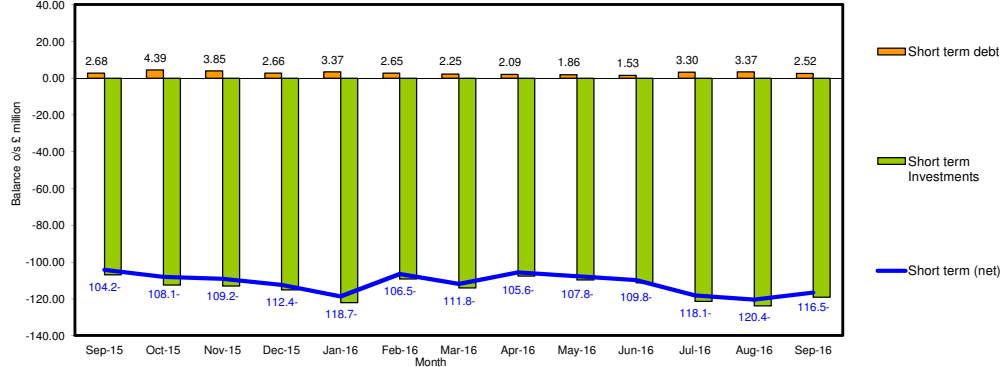
This graph shows the average monthly balance outstanding for:

- short term debt
- short term investments

The graph also shows the net monthly cash position, excluding long term borrowing

Short term debt includes the monies held on behalf of South Downs National Park Authority.

**Graph 2 - Short Term Borrowing / Investments (all)**  
Monthly Averages

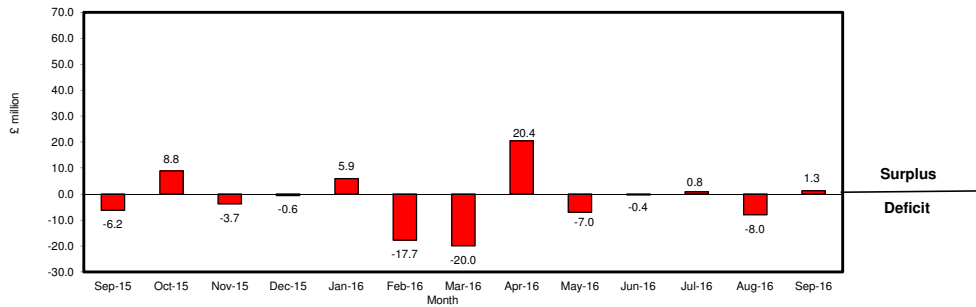


**Graph 3**

This graph shows the net monthly cash flow position, excluding movement in borrowing and investments.

Cashflow movements have resulted in a surplus for the month.

**Graph 3 - Monthly Cash Flows**



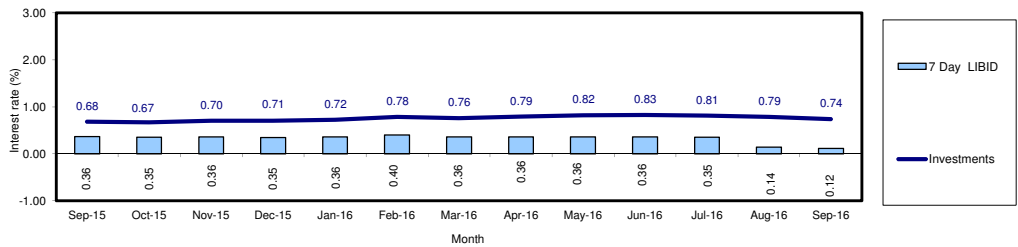
**Graph 4a**

This graph compares the average return on short term investments with the average 7 Day LIBID rate.

The target is for the return on short term investments to exceed the 7 Day rate by 5% in a 12 month period

In house investments continue to meet the benchmark target rate of return.

**Graph 4a - Short Term Investments -v- 7 Day LIBID (In house)**  
Monthly averages - annualised (to 2 dec pl)



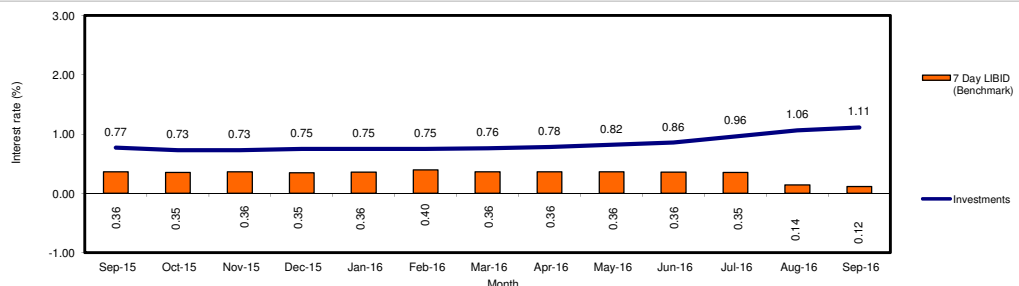
**Graph 4b**

The cash manager performance fluctuates due to changes in the value of the investments. Performance has been above benchmark target levels in 12 of the past 12 months.

This graph compares the average return on the fund with a benchmark of 7 Day LIBID

The target is for the return on investment to achieve 115% of the benchmark rate within a 3 year rolling period

**Graph 4b Short Term Investments -v- Benchmark Rate (Cash Managers)**  
Monthly actuals (to 2 dec pl)

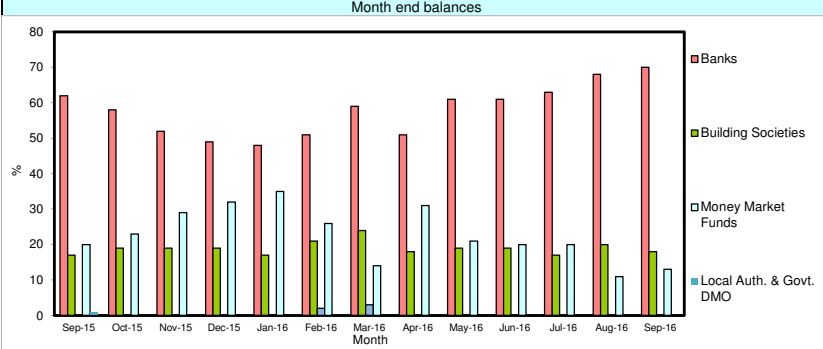


## Investments by Sector

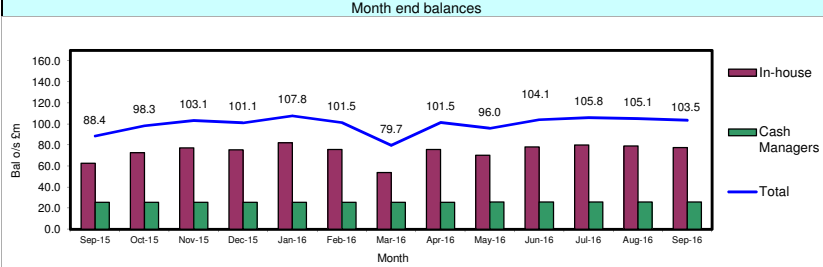
The 2016/17 Treasury Policy Statement states that with the exception of the banking sector and money market funds, no one sector shall have more than 75% of the investment portfolio at the time an investment is made. As at end of September 2016 investments were held as follows:-

	£m	
<b>SWIP External Managers</b>	25.87	
<b>In-house Investments - Banks</b>		
Barclays Bank plc	8.100	
Close Brothers	5.000	
Virgin Money PLC	2.500	
Lloyds Bank plc	20.000	
Toronto-Dominion Bank	3.000	
Santander UK Plc	14.465	
Standard Chartered Bank	1.000	
	<b>54.065</b>	<b>69.7 %</b>
<b>Local Authority</b>		
	<b>0.000</b>	<b>0.0 %</b>
<b>Money Market Funds</b>		
Aberdeen Global Liquidity Fund	0.316	
BNP PARIBAS INSTICASH STERLING Func	6.923	
CCLA - Public Sector Deposit Fund	0.201	
Goldman Sachs Funds Plc	0.010	
Standard Life Liquidity Fund	0.842	
Insight Liquidity Funds Plc	0.314	
Morgan Stanley Sterling Liquidity Fund	0.002	
Federated Investors	1.222	
	<b>9.830</b>	<b>12.7 %</b>
<b>In-house Investments - Building Societies</b>		
Nationwide Building Society	13.700	
	<b>13.700</b>	<b>17.7 %</b>
<b>TOTAL - In-house Investments</b>	<b>77.595</b>	<b>100.0 %</b>

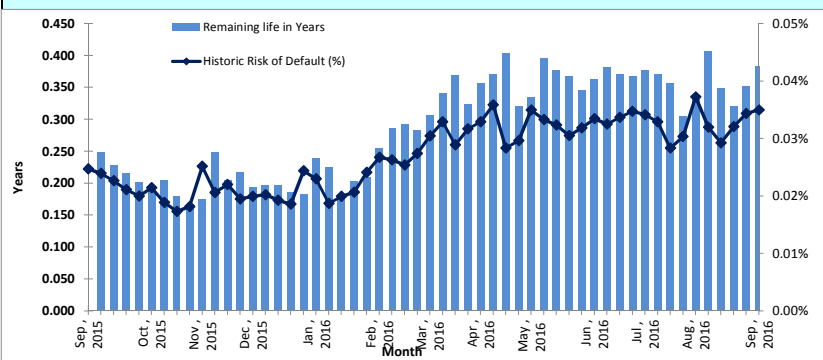
**Graph 5a - Investments by Sector (In-house)**



**Graph 5b - Investments In-house -v- Cash Manager**



**Graph 6 - Security & Liquidity of Investments**



Graph 6  
Members agreed, as part of the 2016/17 Treasury Policy Statement, to set a maximum indicator for risk at 0.05%. Table 6 shows the risk factor to be well below the maximum set.

## Prudential Indicators (Treasury Management)

The Council sets each year a number of prudential indicators for treasury management. The following tables show that these indicators have not been exceeded in the month of September 2016.

Gross Outstanding Debt (£millions)		
	Debt	PFI
Authorised limit	350	54
Operational boundary	338	54
Minimum o/s	261	-
Maximum o/s	264	-

Variable Rate Debt (%age)	
Maximum limit	40.0
Maximum amount o/s	0.0

(NB. The maximum limit for fixed rate debt is 100% and cannot therefore be breached.)

Net Outstanding Debt (£millions)		
	Debt	PFI
Minimum capital financing requirement	278	54
Maximum net debt o/s	158	-

Debt Maturity Profile (%ages)					
	<12 mths	1-2 yrs	2-5 yrs	5-10 yrs	>10 yrs
Maximum limit	40.0	30.0	40.0	75.0	100.0
Minimum limit	0.0	0.0	0.0	0.0	50.0
Maximum o/s debt	1.3	0.8	2.8	18.5	77.7

<b>Subject:</b>	<b>Street Lighting Invest to Save Proposal</b>		
<b>Date of Meeting:</b>	<b>8 December 2016</b>		
<b>Report of:</b>	<b>Executive Director of Economy, Environment &amp; Culture</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Gill Packham</b>	<b>Tel: 29-1202</b>
	<b>Email:</b>	<b>Gill.packham@brighton-hove.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 This report presents the options for the Street Lighting Invest to Save project and requests Committee approval to progress the project with the selected funding option required to implement the project.

**2. RECOMMENDATIONS:**

- 2.1 That the Policy, Resources & Growth Committee:

- 2.1.1 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");
- 2.1.2 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;
- 2.1.3 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.
- 2.1.4 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.

**3. CONTEXT/ BACKGROUND INFORMATION**

Street Lighting Invest to Save project

- 3.1 Brighton & Hove City Council (BHCC) are planning to implement a street lighting invest to save programme through the application of new energy efficient LED lighting technologies as well as the application of the latest British and European Road Lighting Standards and control systems.

- 3.2 The Street Lighting Invest to Save project looks to a sustainable approach to the lighting service that will bring energy and carbon reduction savings as well as a reduction in reactive and routine maintenance operations, yet looks to maintain the lighting performance and service required within our streets.
- 3.3 In January 2015 the P&R Committee gave permission for officers to resource the preparation of a detailed financial model to inform a full business case submission to a future committee for approval.
- 3.4 The specification and Invitation to Tender for a consultant to carry out this work was issued in September 2015. The contract was subsequently awarded to WSP | Parsons Brinckerhoff and commenced December 1st 2015.
- 3.5 Early in 2016 the scope of the work was extended following a request from the Departmental Modernisation Board to include Housing stock as part of the business case. Work is under way to complete the inventory and employ a new integrated approach to deliver a more effective and efficient service to all stakeholders.
- 3.6 The basis for the business case was developed by WSP | Parsons Brinckerhoff following the principals and requirements of the potential funders as well as good industry practice. The process has confirmed the nature of the existing lighting assets in terms of suitability, performance and electrical load to establish the base line position.
- 3.7 A detailed technology review was subsequently undertaken to establish the most appropriate LED lighting and control technology suitable for the city. This has included reviews of the approaches undertaken by other authorities.
- 3.8 The Business Case has summarised options available to update the BHCC lighting stock to create a more energy efficient service whilst achieving lighting and service levels appropriate to the needs of the city in terms of safety and amenity.
- 3.9 The Business Case provides the core information and supporting evidence that funders look for, and is based upon their application requirements.
- 3.10 The Business Case indicates that potential energy and carbon reduction of up to 61% on the assets to be upgraded is achievable. The investigation indicates that potential savings through the use of LED technologies in conjunction with the application of current good lighting practice will bring annual nett energy savings of almost 4,370,000 KWh as well as carbon savings of 2,363 tonnes of CO2 once implementation is complete. This project will reduce energy costs compared to doing nothing and help achieve a proportion of the required revenue savings identified in the Medium Term Financial Strategy. Please refer to section 5 of the Business Case (attached at Appendix 1) for full details.
- 3.11 In financial terms this equates to £0.472m and £0.041m cost reductions per annum respectively once the project is delivered, a total of £0.513m per annum based upon current electricity prices. After taking into account contract cost



reductions and the cost of financing this investment, the annual net savings are estimated to be £0.214m once the programme is completed.

- 3.12 The work costs to implement the Street Lighting Invest to Save project are estimated to be £7.956m which includes columns, lanterns, control equipment and electrical works as detailed in Appendix E of the Business Case (see Appendix 1 attached).
- 3.13 This project relates to equipment owned and maintained by the Council's Street Lighting team in the Transport & Highways division. The team is working closely with the Housing Department to include their lighting column stock within the project.
- 3.14 If the Policy, Resources & Growth Committee approves the recommendations set out in section 2 above, the Executive Director of Economy, Environment & Culture plans to run a procurement process in order to award a contract(s) to deliver the Street Lighting Invest to Save project and street lighting maintenance. Financial Services, Procurement and Legal Services will provide support and advice on the appropriate procurement process and form of contract so that the process can be run in a legally compliant way and so that value for money can be demonstrated through the evaluation of a combination of quality and price in the competitive process.

#### Current Position

- 3.15 In the past 5 years all columns have been structurally tested, and over 3200 columns replaced.
- 3.16 Local Transport Programme (LTP) funds have been allocated to replacing the underground cable network and age expired equipment.
- 3.17 A number of LED lighting trials have been implemented on a whole road basis, with over 1000 LED lanterns now in place.
- 3.18 Other technologies and solutions have also been utilised, including the installation of over 3200 white light sources, a trial of a Central Management System, small trial areas of part night dimming and the replacement of old photocells to more energy efficient ones enabling trimming of the burning hours.

#### Smart City Technology

- 3.19 Using a central management system to control the city's street lighting will reduce future maintenance costs. This type of system will provide continuous accurate status information enabling the ability to identify outages immediately and reduce repair and maintenance costs through more precise focus of contractors crews and quicker response times.
- 3.20 There are potential additional savings to be had by placing more of an emphasis on a "smart" approach across the city. This programme gives us an opportunity to optimise our existing infrastructure. Lamp posts are a council owned asset, connected to an electricity supply and technology is available to be hosted on lamp posts.

- 3.21 Integration declutters and modernises existing architecture and shared public space, and lighting columns are the natural choice to house new technology as they are already evenly distributed throughout the city. By providing technology hubs within the lighting columns, BHCC can begin to 'future proof' the city, ensuring the capacity to stay 'smart' into the future.
- 3.22 Possible smart city uses include air pollution sensors, parking space notification, adaptable lighting levels, part night lighting switch off, gully monitoring, refuse bin monitoring, and facilitation of autonomous vehicles.
- 3.23 Multi-functional lanterns declutter public spaces, providing multiple requirements in a single installation, removing the need for other street furniture and lowering carbon footprint.
- 3.24 The Street Lighting team are working collaboratively with BHCC's internal ICT team to consider the options available and ensure the most appropriate solution to the city's needs. ICT have stated that there are corporate and financial gains to be made in terms of data capturing.
- 3.25 The British Standards Institute is developing a standards strategy for smart cities in the UK. The strategy identifies the role of standards in the implementation of smart cities and will be designed to provide assurance to citizens that risks are being managed appropriately. BHCC will monitor the progress of this and adhere to all standards developed.

#### Cast iron, heritage and seafront (Cherished Equipment)

- 3.26 There are no plans to remove any of the existing cherished equipment and replace it with standard posts.
- 3.27 The Street Lighting team have a solution in place to adapt the existing cast iron columns in a number of streets. As an example, a scheme is currently being undertaken on Second Avenue where the posts will be extended to a height of 5 metres and a small wide lensed LED lantern attached. Units in streets of this type will then be painted black.
- 3.28 The Lower Promenade is not affected by the Invest to Save proposal. The Arches and Shelter Hall are currently undergoing major refurbishment work and new lighting for the Lower Promenade is being delivered as part of these projects.
- 3.29 In addition Valley Gardens is still to be considered for development and any lighting requirements are expected to be funded from that budget and will be considered separately.
- 3.30 The heritage large cast iron columns on the seafront will be treated separately. Solutions are being looked at to install an energy efficient solution in keeping with the column style, and appropriate to provide the correct lighting levels on a busy A class road.

#### **4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 4.1 The default position of do nothing will result in the street lighting energy and carbon remaining at their current levels at a time when revenue budgets are under pressure and there is a desire to reduce energy and carbon consumption.
- 4.2 The street lighting revenue budget, like all council budgets, is under pressure and will require support from future LTP capital funding allocations in order to maintain the existing service. Unless capital investment is carried out, service levels are likely to diminish which will result in poor public perception and the inability to secure the safety of the city.
- 4.3 The Department of Energy and Climate Change (DECC) predicts ongoing energy price rises.
- 4.4 The approach proposed within the business case looks at a three year rolling installation of the LED and associated lighting control and infrastructure.
- 4.5 Detailed discussions have been held with the Green Investment Bank to consider their loan rates and lending options. Financial Services have considered the viability of each of the options and have taken the view that the unsupported borrowing option is the most appropriate for the authority to consider
- 4.6 If Policy, Resources & Growth Committee reject the Street Lighting Invest to Save project recommendations in this report, a report to approve the procurement and award of a contract to deliver the street lighting maintenance only will be brought to this Committee in the near future. For a basic term maintenance contract with no significant investment, the yearly budget for planned and reactive maintenance would be in the region of £1,000,000.00.

#### **5. COMMUNITY ENGAGEMENT & CONSULTATION**

- 5.1 Consultation will take place in the future should part night lighting be considered.
- 5.2 There are no issues that would disadvantage any particular group within the city. Street lighting is universal.
- 5.3 The purpose of public lighting is to illuminate roads and pavements only.

#### **6. CONCLUSION**

- 6.1 The Street Lighting Invest to Save project is designed to provide efficient street lighting services that deliver financial and carbon savings in line with the Council's financial strategy.
- 6.2 The Council needs to reduce its energy and carbon usage. The adoption of LED lighting across the city could bring savings both in terms of output, and also financially. In financial terms, based on current electricity prices cost reductions of over £0.500m per annum can be achieved. After taking into account contract

cost reductions and the cost of financing this investment, the annual net savings are estimated to be £0.214m once the programme is completed.

- 6.3 Well-lit streets help reduce crime and fear of crime as well as providing a safer night-time street scene.
- 6.4 There are health and safety risks involved in failing to maintain the public highway street lighting which could have severe and costly consequences.
- 6.5 There is the potential for citywide benefits in terms of the introduction of smart city technology using lamp posts to incorporate sensors to measure gullies air pollution for example, and to integrate other technologies of benefit to BHCC and stakeholders, including city wide wi-fi.
- 6.6 The project is widely supported by the Modernisation Board and other departments who can see the potential future benefits to the city.

## 7. FINANCIAL & OTHER IMPLICATIONS:

### Financial Implications:

- 7.1 It is estimated that the capital costs associated to the Street Lighting Invest to Save Proposal will be £7.956m as summarised in the table below. It is proposed that these costs will be funded from a combination of unsupported borrowing and grant funding through the Local Transport Plan (LTP) programme. The capital cost estimates have been compared to other local authorities carrying out similar projects that are considered comparable to BHCC.

	2017-18	2018-19	2019-20	<b>Total</b>
	£'m	£'m	£'m	£'m
<u>Capital Expenditure:</u>				
Electrical Works	2.318	2.318	2.318	<b>6.954</b>
Columns and Connections	0.334	0.334	0.334	<b>1.002</b>
<b>Total Capital Costs</b>	<b>2.652</b>	<b>2.273</b>	<b>2.273</b>	<b>7.956</b>
<u>Funded by:</u>				
Unsupported Borrowing	2.352	2.352	2.352	<b>7.056</b>
LTP Capital Grant	0.300	0.300	0.300	<b>0.900</b>
<b>Total Funding</b>	<b>2.652</b>	<b>2.652</b>	<b>2.652</b>	<b>7.956</b>

- 7.2 Various capital borrowing options were considered for the project, including the Public Works Loan Board (unsupported borrowing), Green Investment Bank and Salix Finance. Each loan option was considered for its value for money in terms of overall costs to the council and scheme affordability, with consideration of loan market forecasts and the council's treasury management position. It is considered that the council's cash flow management position and the ability to access historically low interest rates through unsupported borrowing over the duration of this project outweighs the benefits of other borrowing options and presents the best value for money to the council.
- 7.3 It is recommended to use £0.900m funding from the Local Transport Plan (LTP) capital programme over the three year expenditure profile. The LTP capital

programme is funded by Department of Transport (DfT) grants. Additional use of LTP funding for this project was considered as a way to reduce the borrowing requirement; however this would impact on the ability to deliver schemes identified within the approved Local Transport Delivery Plan (LTP 4).

- 7.4 The forecasted financial implications to the Street Lighting revenue budget have been modelled as presented in the table below. The net annual saving following full implementation of the scheme is forecasted to be £0.214m from 2020-21 onwards. Various assumptions and sensitives have been tested in the revenue assumptions to provide a prudent forecast. It is anticipated that the net revenue cost of £0.046m in the 2017-18 financial year will be funded from existing budgets within the Street Lighting service.

	2017-18	2018-19	2019-20	2020-21
	£'m	£'m	£'m	£'m
Additional Salary Costs	0.046	0.046	0.046	0.000
Reduction in Bulk Lamp Clean and Change Costs	0.000	(0.067)	(0.133)	(0.200)
Reduction in Electricity Costs	0.000	(0.157)	(0.314)	(0.472)
<u>Reduction in Carbon Reduction Commitment Costs</u>	0.000	(0.014)	(0.028)	(0.041)
Borrowing Repayments	0.000	0.159	0.328	0.499
<b>Total Revenue Implications</b>	<b>0.046</b>	<b>(0.033)</b>	<b>(0.101)</b>	<b>(0.214)</b>

- 7.5 The forecast revenue implications will contribute towards savings proposed within City Transport Integrated Service & Financial Plan presented to Budget Council in February 2016. It is anticipated that there may be additional savings associated to introducing a new Central Management System facilitating a more efficient reactive maintenance operation and potential savings from Smart Cities technology. These potential savings have not been included within the revenue implications table above as it is currently difficult to forecast. The service will continue to seek potential cost reductions associated to the project to maximise service savings.
- 7.6 There may also be further financial implications associated to a review of lighting stock within the Housing service. This is still subject to a detailed review and any further approvals and implications will be reported to the appropriate Committee.
- 7.7 Future costs of the Street Lighting service have been modelled on a 'do nothing' approach to determine the financial implications of not carrying out the project. Forecasts for energy prices suggest above inflation increases which could potentially create a significant financial pressure on the street lighting service in the long term. The proposed project will help protect the service from such potential pressures to some extent due to the reduced electricity consumption.
- 7.8 The recommended procurement is subject to compliance with the council's Contract Standing Orders and Financial Regulations. The council's Contract Standing Orders state that contracts above the value of £0.500m require approval from the relevant Committee or executive decision-making body. The procurement process will be prepared on a basis to maximise economy and effectiveness, and will therefore support achieving value for money. The

achievement of value for money when procuring goods and services is a key task to ensure that public money is well spent.

*Finance Officer Consulted: Steven Bedford/James Hengleveld Date: 31/10/2016*

Legal Implications:

- 7.9 The Policy, Resources & Growth Committee is the appropriate decision-making body in respect of the recommendations at paragraph 2 above, given that the values of the loan and the contract(s) required in order to implement the Street Lighting Invest to Save project are likely to have corporate financial implications.
- 7.10 Further, the Council's Contract Standing Orders (CSOs) require that for a contract(s) valued at £500,000 or more, approval must be obtained from the relevant committee, which in this instance is the Policy, Resources & Growth Committee.
- 7.11 The terms of the loan agreement will need to be considered and agreed in order to protect as far as possible the interests of the Council.
- 7.12 The procurement process for the contract(s) for the delivery of the Street Lighting Invest to Save project and street lighting maintenance must be undertaken in accordance with the Council's Contract Standing Orders and The Public Contract Regulations 2015.

*Lawyer Consulted: Isabella Sidoli Date: 02/11/16*

Equalities Implications:

- 7.13 The nature of street lighting is that it is universally available. In respect of all of the following areas, there are no issues that would disproportionately disadvantage any particular protected characteristic group
- Legislation
  - Environmental Impact
  - Maintenance
  - Design
  - Replacement works
  - Added value
  - Light sources
  - Future strategy

Further detail is provided within the attached report.

Sustainability Implications:

- 7.14 The Council is committed to providing a sustainable environment for the residents of the city. The purpose of this project is to provide sustainable, energy efficient and effective lighting which considers British and European Standards.
- 7.15 In May 2016 the South Downs National Park became the world's newest International Dark Sky Reserve (IDSR). This project will consolidate our support

for this, through the appropriate choice of equipment to minimise upward light and reduce sky glow.

Crime & Disorder Implications:

- 7.16 Well-lit streets help reduce crime and fear of crime as well as providing a safer night-time street scene.

Risk and Opportunity Management Implications:

- 7.17 There are health and safety risks involved in failing to maintain the public highway street lighting which could have severe and costly consequences. Failure to improve or maintain street lighting adversely affect National Indicators, Best Value Performance Indicators and potential funding.

Public Health Implications:

- 7.18 There are health and safety risks involved in failing to maintain the public highway street lighting which could have severe and costly consequences. A do nothing approach will lead to a reduced level of service as additional savings need to be made. This could disadvantage the city and lead to an increase in crime and fear of crime and potentially impact on the economy should the public consider it unsafe.

Corporate / Citywide Implications:

- 7.19 The development of the LED street lighting and control system also looks to the future in terms of facilitating SMART City technologies. This is a term that covers a wide range of topics that could lead to service improvements and efficiencies and also increase the potential for revenue income through permitting other users to use the lighting infrastructure for SMART System use. Lamp columns are an ideal place for sensors that can control lighting levels, diagnose faults to lighting and thus reduce future maintenance. In addition to this though, sensors can collect information on weather, traffic, air quality, gully condition, to enable more effective data collection across the council. Apart from sensors, columns may also be used to integrate other technologies of benefit to BHCC and citizens, including city-wide Wi-Fi and CCTV. Again, this could increase the potential for revenue income to the council.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. BHCC Street Lighting Invest to Save Business Case

### **Documents in Members' Rooms**

None.

### **Background Documents**

1. Street Lighting Infrastructure Investment Options Business Case of 22/01/15.





# BRIGHTON AND HOVE CITY COUNCIL

## STREET LIGHTING INVEST TO SAVE

PROJECT BUSINESS CASE



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# 1 INTRODUCTION

## 1.1 PROJECT OVERVIEW

- 1.1.1 Brighton & Hove City Council (BHCC) is planning to implement a street lighting invest to save programme through the application of new energy efficient LED lighting technologies as well as the application of the latest British and European Road Lighting Standards.
- 1.1.2 This work has been carried out in conjunction with a consultant, WSP/Parsons Brinckerhoff. This is an abridged version of a full technical report supplied to the Street Lighting Team, and available if required.
- 1.1.3 In conjunction with an energy efficiency programme, the council aims to invest in new technology to enable a smart city environment utilising lamp posts as the primary location for this equipment where appropriate. This area of work was not part of the initial remit and has in the main been carried out internally by the council's street lighting manager with interest from internal ICT team.
- 1.1.4 This report summarises the various options available to BHCC and should be considered as a guidance upon which to make fully informed decisions according to the city's needs. The aim is to create a lighting service which minimises energy consumption, whilst achieving lighting and service levels appropriate to the needs of the BHCC residents, tourists and businesses in terms of safety and amenity.
- 1.1.5 This business case is underpinned within the full report by the following:
- Understanding the existing lighting asset and its operation,
  - Understanding the progress made to date
  - An overview of the number of different solutions required to meet the demands of a diverse stock across the city,
  - Understanding and application of the proposed technologies,
  - Understanding the design process and application of adaptive lighting and dimming solutions,
  - Understanding the requirement for a proposed smart city solution and the areas of interest to the council,
  - Evidencing the potential savings and payback periods.
- 1.1.6 As requested the project has been considered over a three year deployment period and takes into consideration recent energy saving and service improvements initiatives already developed by BHCC.

## 1.2 EXECUTIVE SUMMARY

- 1.2.1 The annual energy and carbon consumption summaries below (Figures 1 & 2) demonstrate that there has been a decrease in energy and carbon consumption over the past three years. This is due to lighting improvements made using modern technology, including LED.
- 1.2.2 In energy and carbon terms, the report indicates that potential savings through the use of LED technologies in conjunction with the application of current good lighting practice could bring energy savings of approximately 4,370,000 KWh as well as savings of 2,360 tonne of CO<sub>2</sub>.
- 1.2.3 In financial terms, based on current electricity prices, this equates to £471,472 and £41,344 per annum respectively should all potential savings elements be implemented, a total of £512,817 per annum.

- 1.2.4 Based on current contractual rates, the works costs to implement this project equate to approximately £6,954,450 for the electrical and control equipment with an additional allowance of £1,000,743 to take account of replacing a number of existing columns at the end of their useful life, and the need for additional columns in particular streets to bring the lighting levels up to the required performance levels.
- 1.2.5 The total capital requirement is £7.956m funded from unsupported borrowing (£6.954m) and LTP (£0.900m) and the supporting financial figures are based on a three year programme with even drawdowns over the period.
- 1.2.6 Based upon these figure the project is currently looking at a payback period of just over 13.5 years. Repayment will be over 14 years.
- 1.2.7 A number of different funding streams have been considered, Salix, Green Investment Bank and Public Works Loan Board
- 1.2.8 Given the payback period currently estimated at over 13 years Salix were effectively ruled out as they look for a quicker return on their loan. Detailed discussions were held with the Green Investment Bank and BHCC financial staff. Following this the finance team took the view that the most appropriate method of funding this project is through unsupported borrowing.
- 1.2.9 A glossary of terms is provided at the rear of this document.

# 2

## CURRENT ASSET POSITION

### 2.1 UNDERSTANDING THE CURRENT POSITION

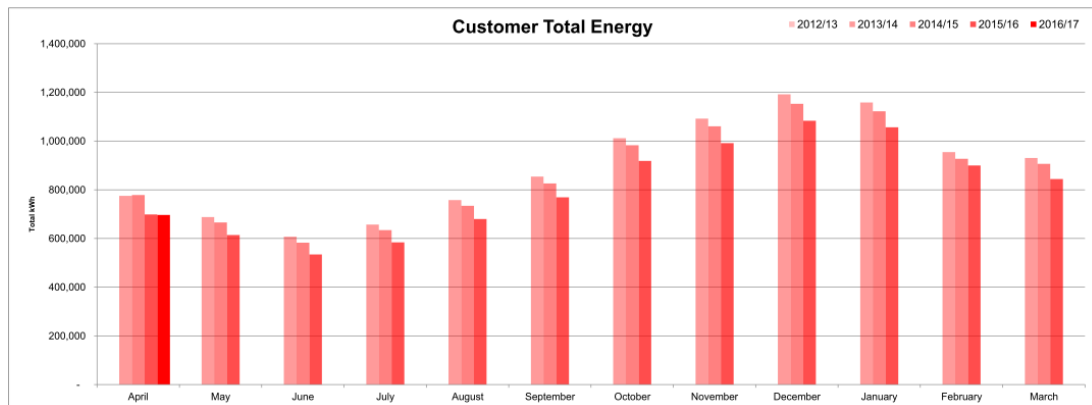
2.1.1 In order to develop the overall business case it is important that BHCC understand and evidence the current base line data upon which the business case will be developed. The bedrock for this is BHCC Mayrise street lighting asset management inventory.

### 2.2 CONFIRMING THE CURRENT ASSET DATA BASE

2.2.1 The council is happy that the street lighting inventory has a high level of accuracy and this has been confirmed by Power Data Associates (PDA). PDA undertakes the role of Meter Administrator for BHCC to use the inventory data in order to calculate the monthly energy bill. As part of their role they regularly review the inventory to check for any anomalies within it, for example a lamp type and corresponding wattage that do not correlate or an Elexon energy code that is incorrect based upon the stated lamp and control gear type. These errors are flagged up where they occur for attention of BHCC and at present the database is considered accurate by PDA.

2.2.2 The following chart (**Table 1**) supplied by PDA shows the street lighting energy consumption for the year 2015/16 as well as comparing it to the consumption on a month by month basis for the past three years. As can be seen there has been a decrease in energy consumption over the past three years and in part this relates to the LED installations and other improvement works that have been undertaken.

**Table 1** Power Data Associates energy consumption chart.



2.2.3 As part of the development of the BHCC business case WSP/Parsons Brinckerhoff undertook an independent review of the data held looking to compare the numbers of columns within the streets, their height, light source and associated attributes. This has been undertaken through both on site surveys as well as desk top inventory and Google Street View assessments (only streets indicated as post 2015 on Street View were considered); these have then been compared with the inventory. This work has found a good correlation between what is on site and the asset data base records.

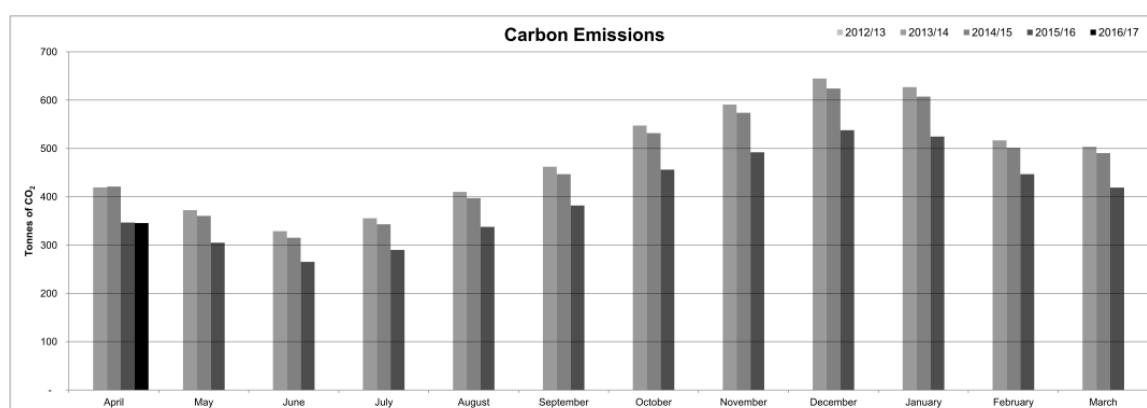
2.2.4 Based upon the inventory data and PDA report the annual electrical load (May 2015 to April 2016) was 9,671,366 kWh. Energy consumption, the annual unmetered energy consumption is calculated using the following formula.

$$\text{Estimated annual consumption (EAC)} = \frac{\text{Circuit Watts} \times \text{Annual burning hours} \times \text{Number of units}}{1,000} = \text{kWh}$$

2.2.5 BHCC's current energy tariff is 10.79 p/ kWh so based upon the electrical load advised by PDA this equates to an annual energy expenditure of £971,822.00 for the year 2015-16. This only takes account of street lighting columns, bollards and illuminated signage. It is noted that BHCC's annual budget for 2016-17 is just under £1 million.

2.2.6 **Table 2** shows the Carbon footprint for the current lighting asset as advised by Power Data Associates. The Carbon Reduction Commitment Energy Efficiency scheme (CRCEE) in 2015/16 charges £16.10 per tonne of CO<sub>2</sub> where 1 KWhr equates to 0.49636 kg CO<sub>2</sub>. As can be seen there has been a decrease in carbon consumption over the past three years.

**Table 2** Power Data Associates carbon consumption chart.



2.2.7 Based upon the inventory data and the PDA report the annual carbon footprint (May 2015 to April 2016) was 4,800 tonnes of CO<sub>2</sub>.

## 2.3 CURRENT IMPROVEMENT WORKS

2.3.1 BHCC have over the past few years been focussing on replacing their underground cable network and age expired equipment through annual LTP allocated funds. To date approximately 50% of the city's cable network has been replaced and work is ongoing, including Royal Pavilion Gardens, Kingsway and Marine Parade Whilst these schemes are not producing savings in terms of carbon or energy usage, they are essential to update and maintain assets across the city and to reduce ongoing future maintenance costs.

2.3.2 A number of LED lighting installations have been implemented which have essentially been on a whole road basis. All have proved to be successful, with some positive feedback from stakeholders. Schemes have been installed in Dyke Road Avenue (over 57% reduction in energy and carbon), Montpelier Road (over 69%) and Ditchling Road amongst others and have indicated that LEDs are a valid and acceptable lighting solution.

2.3.3 The majority of subways within BHCC have been upgraded to LED lighting.

2.3.4 A number of the streets have been re-lit / refurbished over the past five years using the CPO white metal halide light source and electronic control gear, including London Road from city centre to A23 (40% energy and carbon reduction), Stanford Avenue (52%), The Drive and Grand Avenue amongst others. These installations have provided a good level of energy reduction compared to the light source they replaced. Whilst these streets are not outside the scope of this business case it would be recommended that they are not considered for refurbishment / upgrade until the end of the five year LED deployment period.



2.3.5

**Table 3** provides a summary table of BHCC's main non-LED lighting asset. The following list of equipment has been used for the purpose of determining BHCC's business case. It is a high level summary of each main lamp type, wattage and associated circuit watts.

**Table 3** Summary of BHCC non LED lighting asset.

Lamp type	Wattage	Quantity	Elxon wattage	As a % of stock
SOX	35	3575	58	20%
	55	1723	77	10%
	90	1017	130	5%
	135	97	178	0.54%
SON	50	823	62	4%
	70	4798	90	26%
	100	722	114	4.6%
	150	1152	165	6.4%
	250	367	262	2%
CPO	45	596	51	3.3%
	60	209	67	1.2%
	90	1081	99	6%
	140	1223	158	7%
CDO / CDM	50	20	59	0.1%
	70	321	79	1.8%
	250	117	180	0.7%
	210	12	229	0.07%
	250	81	262	0.5%
MBFU	80	76	102	0.4%

2.3.6 This equates to a total of 18,010 lighting points, with orange low pressure sodium (SOX) light source forming just over 35% of the lighting stock under consideration.

## **2.4 HERITAGE EQUIPMENT**

2.4.1 The term 'heritage equipment' encompasses the heritage seafront cast iron columns, and all other cast iron units across the city

2.4.2 There are no plans to remove any of this existing equipment and replace it with standard posts. However it should be noted that where a cast iron column is removed as a result of structural failure or for any other reason, it will not necessarily be replaced on a like for like basis due to the high cost involved in the purchase of cast iron equipment.

2.4.3 We have a potential solution in place to adapt the existing cast iron columns in a number of streets and are currently undertaking a trial scheme on Second Avenue where the posts will be extended to a height of 5 metres and a small wide lensed LED lantern attached. Units in streets of this type will then be painted black.

2.4.4 The Lower Promenade is not affected by the Invest to Save proposal. The Arches and Shelter Hall are currently undergoing major refurbishment work and new lighting for the Lower Promenade is being delivered as part of these projects.

2.4.5 In addition Valley Gardens is still under consideration for development and any lighting requirements are expected to be funded from that budget and will be considered separately.

2.4.6 The heritage large cast iron columns on the seafront will be treated separately. Solutions are being looked at to install an energy efficient solution in keeping with the column style, and appropriate to provide the correct lighting levels on a busy A class road.

## **2.5 HOUSING DEPARTMENT EQUIPMENT**

2.5.1 It was agreed by the Departmental Modernisation Board in April 2016 to include Housing Department stock within the remit of the invest to save business case.

2.5.2 The Housing Department has not fully collated their inventory and work is currently under way to carry out full site surveys to determine the full asset network. It is expected that this work will be completed by the end of October 2016.

2.5.3 At this point in time the Housing Department can accurately account for 60 units. An asset verification exercise is due to commence on the 60 units confirmed which will provide a more accurate overall view of the equipment. This work will be undertaken by the incumbent street lighting contractor.

2.5.4 It is believed that the Housing Department is responsible for potentially double that number of units. Thus for the purpose of the report at this stage it has been assumed that their inventory consists of 120 number 35W SOX lanterns mounted on 5m columns and supplied by a private cable network rather than being UKPN supplied

2.5.5 The proposal for Housing is based on one for one replacements of all their existing equipment as they have confirmed that there has been no regular maintenance of the equipment undertaken in recent years.

2.5.6 Based upon the above, the current electrical load is estimated at 28,900KWh per annum with an associated carbon footprint of 15.6 tonnes. This equates to £3,120 and £272 respectively giving an annual energy cost of £3,392 per annum.

- 2.5.7 The savings through changing to LED lanterns and adaptive lighting will be in the order of 9,875kwh and 93 tonnes of CO2 which equates to an approximate saving of £1,158 per annum or 68%
- 2.5.8 The cost for the works is estimated and in the order of £137,246, allowing for the replacement of all equipment and the replacement of the private cable network.
- 2.5.9 The payback period based on 120 columns works out at approximately 59 years which is longer than the life expectancy of the equipment and therefore not viable based upon an invest to save strategy.
- 2.5.10 Should the existing cable network not need replacement then the costs reduce to an estimated £34,000 with a payback period of 21 years.

# 3

## TECHNOLOGY REVIEW

### 3.1 INTRODUCTION

- 3.1.1 It is an important part of any energy saving review that the technologies and operational strategies currently in place with BHCC are fully understood. This will enable the forward requirements to be assessed in order to bring about the energy, carbon and operational savings required and give confidence in the overall business case model.
- 3.1.2 Energy consumption reduction is not achieved by new technologies alone but also through the application of design and operational aspects. It is important that any consideration for change demonstrate and evidence that all of the approaches have been duly considered.
- 3.1.3 As part of the review the consultant has liaised through various contracts and projects with other authorities undertaking similar programmes / trials to gauge their understanding of lessons learnt. This has included the use of specific technologies, systems and design practices that may be taken and made applicable to BHCC's own requirements.
- 3.1.4 Authorities considered have included but not limited to:
- Wirral Council,
  - Bournemouth Borough Council,
  - Westminster City Council,
  - Kent County Council,
  - London Lighting Engineers Group (LoLEG).
- 3.1.5 WSP/PB have carried out technical reviews for the Green Investment Bank regarding submissions for invest to save LED replacement strategies and have compared the potential savings they are indicating with the work developed for BHCC.
- 3.1.6 There are various aspects to be considered and understood as part of the energy saving approach and these include:
- New energy efficient technologies such as LEDs,
  - Control systems such as Central Management Systems(CMS),
  - Application of design and Standards as well as adaptive lighting strategies,
  - The consideration for Smart City technologies.

### 3.2 NEW ENERGY SAVING TECHNOLOGIES SUCH AS LED<sub>s</sub>

- 3.2.1 BHCC have started to consider LED lighting as an option and as mentioned above a number of streets are now lit with LED light sources, and in addition have also utilised other technologies and solutions:
- The installation of 3,230 CPO white light lanterns
  - The installation of over 1,100 LED lanterns
  - A trial of a Central Management System (Harvard LeafNut), approximately 600 units
  - Small trial areas of part night dimming
  - Photocell replacement programme

3.2.2 The existing lighting column stock has been structurally tested and over 3,200 columns have been replaced within the past 5 years.

3.2.3 LED light sources bring a number of benefits to the lighting service as follows:

- LED light sources have a high efficacy (relationship between the energy in and the amount of light generated),
- LEDs being a white light source bring the benefit of being able to design to lower lighting levels, as permitted by British Standards.
- Long operational life.
- Based upon the long life the routine lantern cleaning interval can be increased from 3 yearly to 6 yearly.

3.2.4 There are some aspects of LEDs that do require consideration as follows:

- LEDs require drivers, similar to current lamp technology ballasts in order to provide the right drive currents and voltages. The drivers do not have the operational life of the LEDs so will require replacement; current operational life times vary depending upon supplier and range from 6 to 12 years plus.
- In order to undertake the electrical testing of the column every six years, an operation that with lamp technologies is currently undertaken from the column base, the LED lantern needs to be electrically disconnected from the internal column cable. This requires access to the lantern to undertake the isolation. Depending upon the lantern this can be a simple process as the electrical connections can be isolated when the lantern is opened. The reason for this is that the testing may 'blow' the electronics within the LED lantern. This can be combined with a six yearly lantern cleaning operation.
- It is important to ensure a warm colour temperature; around 3,000 kelvins are considered for residential / public mixed use areas with 4,000 kelvins for principal roads.

### 3.3 UNDERSTANDING THE OPTIONS

3.3.1 All roads within BHCC have been assessed for lighting classification and equipment style. These have then been collated into like streets and then each group of like streets had a questionnaire sheet developed for it. This essentially lays out the performance requirements for each class and type of road within BHCC and requires the manufacturers to consider their products and advise on their options.

3.3.2 In order to determine the potential energy and carbon consumption savings through the adoption of LED lighting within BHCC, WSP/PB have:

- Reviewed LED lanterns based upon the work undertaken with LoLEG regarding new technologies,
- Considered the details of the LED lanterns being used on other projects within the UK
- Issued and assessed questionnaires and product detail submissions from various LED manufacturers approached,
- Undertaken calculations based upon the details of various roads within BHCC to determine the most appropriate LED solutions to achieve the required lighting class.

3.3.3 Many existing lanterns within BHCC are either of bespoke design or have a good service life remaining and it would not be good asset management practice to consider replacing them within the early stages of the project deployment period. It is therefore worth considering what LED retro-fit options may be considered and used within these lanterns. This option is currently being assessed by the council in partnership with a number of manufacturers.

3.3.4 It is important when considering retro-fit LED systems for lanterns that they not only fit within the lantern and operate but that the optical performance of the LED within the lantern is equivalent to or better than the lamp technology it is replacing.

3.3.5 As discussed with BHCC representatives the project is essentially looking to a one for one upgrade regime where achievable in order reduce costs. A new electrical connection to a column can at times be close to 50% of the cost of the supply and installation of the unit. A one for one regime therefore reduces electrical connection costs.

3.3.6 It is noted that a number of the streets in BHCC are very wide and a one for one approach is unlikely to bring these streets up to the required Standard of lighting performance. In these cases the following approach has been agreed:

- Many streets are fairly wide and lit with 5m standard steel columns at a wide spacing so an LED solution may not be viable. BHCC have advised that increasing the mounting heights is not a solution and it has been agreed that perhaps 1 in 4 streets should be listed for a new installation to ensure funding exists for all outcomes.
- On 20mph roads that it is appropriate to look to a risk assessment and potential departure from Standards where roads are wide and column spacing is large.

3.3.7 **Table 4** provides an indication based upon our investigations of BHCC streets of the energy that may be saved by changing lamp based technology to LED technologies.

**Table 4.**

Existing lamp and gear type	Existing Circuit Wattage	LED replacement circuit wattage	Percentage decrease in energy
<b>Low Pressure Sodium</b>			
35w SOX	58w	25w	57%
55w SOX	77w	36w	53%
90w SOX	130w	65w	50%
135w SOX	178w	127w	29%
<b>Average reduction</b>			<b>47%</b>
<b>Ceramic Metal Halide – CDO / CDM</b>			
50w CDO / CDM	59w	29w	51%
70w CDO / CDM	79w	38w	52%
150w CDO / CDM	180w	75w	58%
210w CDO / CDM	229w	115w	50%
250w CDO / CDM	262w	171w	35%
<b>Average reduction</b>			<b>48%</b>
<b>Ceramic Metal Halide - CPO</b>			
45w Ceramic Metal Halide - CPO	51w	29w	43%
60w Ceramic Metal Halide - CPO	67w	48w	18%
90w Ceramic Metal Halide - CPO	99w	71w	28%
140w Ceramic Metal Halide - CPO	158w	113w	28%
<b>Average reduction</b>			<b>29%</b>
<b>High Pressure Sodium</b>			
50w SON	62w	29w	53%
70w SON	90w	38w	58%
100w SON	114w	65w	43%
150w SON	165w	115w	30%

250w SON	262w	171w	35%
	<b>Average reduction</b>		<b>40%</b>
<b>Mercury</b>			
80w MBFU	102	71w	30%
	<b>Average reduction</b>		<b>30%</b>

### 3.4 CONTROL SYSTEMS

- 3.4.1 A Central Management System (CMS) is a tool that can facilitate energy, carbon and operational efficiencies for an authority as it enables both maintenance reporting as well as control for when the lighting is operational.
- 3.4.2 In terms of maintenance reporting, the benefits a central management system will give are:
- Reduced night patrols.
  - Fault conditions identified which can be linked directly into the maintenance operations
  - Strengthens inventory accuracy as each asset will have a node upon it so can be identified.
  - Better customer service through improved fault reporting and repair times.
- 3.4.3 In terms of control, currently undertaken by the use of photocells the benefits of a central management system will be:
- Controlling the operation of individual lamps through accurate switching on and off times,
  - Fine tune burning hours trimming, turning the lights on just when they are needed,
  - The operation of adaptive/dimmed lighting levels (the reduction in lighting levels at times of reduced traffic flows or increasing lighting levels to improve public safety as late night venues close or during public events).
- 3.4.4 Monitor and report on energy use; at present the CMS is used just to report on and off times to the Meter Administrator but it is hoped that through national discussions currently underway that the systems will be developed such that they can monitor the energy used and effectively become a meter, resulting in more accurate energy bills from the provider.
- 3.4.5 At this present time there are essentially five main CMS providers that have a good market penetration and proven operation within various UK Authorities either through trials or as whole installations.
- 3.4.6 BHCC have trialled the Harvard system and have found it has been successful to a degree, but that the manufacturer seems to have moved their interest towards the retail sector and interior lighting. Recently a number of other authorities within the UK have experienced commissioning and operational problems with the system.
- 3.4.7 A CMS essentially consists of nodes located on each item of lighting equipment. These then communicate to a local controller which depending upon supplier can communicate to a maximum of 256 (Harvard LeafNut) to 10,000 (Telensa) units. The controller in turn communicates to a central server. The careful planning of controller locations within an authority is key to the roll out and effective communication to ensure that each item of equipment can be 'contacted'. These systems communicate via wireless systems / protocols. A wireless system communicates via radio frequency between the controller and the transceivers directly or through a 'mesh' network.

3.4.8 All system cost models are very different with the majority requiring an annual service charge based upon the numbers of controllers and transceivers installed within a local authority's boundary. Others only have an annual maintenance / support charge based upon assumed monthly support hours for an engineer. Obviously these costs can be off set against any reduction in night scouting and energy savings.

3.4.9 Depending upon the system the number of controllers required may present a high risk to the end user when the annual maintenance agreement is based upon the number of controllers used. A number of authorities are reporting a higher than expected number of controllers for the Harvard CMS installations and therefore due consideration should be made of placing a capped maintenance agreement based upon an agreed number of controllers.

## 3.5 SMART CITIES CONSIDERATIONS

3.5.1 It is a requirement of the project that the development of the LED street lighting and control system also looks to the future in terms of facilitating SMART City technologies. This is a term that covers a wide range of topics from those that may aid BHCC in terms of their service but also increase the potential for revenue income through permitting other users to use the lighting infrastructure for SMART System use.

3.5.2 There are various solutions available in the market place and BHCC Street Lighting is working with internal partners to collate data needs to help determine requirements.

3.5.3 Examples of such technologies may include but not be limited to sensors that communicate to monitoring / communication devices mounted on the columns that also control the lighting. These sensors could be associated with measuring the condition of:

- Gullies; each gully being monitored so they are only cleaned when required,
- Air pollution; monitoring and reporting of air condition and pollen count,
- Rubbish bins; monitoring of when they require emptying, perhaps more for industrial bins rather than residential, and:
- Parking availability which is advised to the motorist via their phone or Sat Nav.
- Motion sensors (lighting on demand, pedestrian footfall)
- Traffic speed and density monitoring
- Temperature and humidity monitoring – can be used to optimise emergency road gritting

3.5.4 Apart from sensors, columns may also be used to integrate other technologies of benefit to BHCC and citizens, including:

- City-wide Wi-Fi
- Cellular (4G/5G) masts
- CCTV/number plate recognition

3.5.5 It is therefore important when considering a CMS that the system should consider future requirements and be open to facilitate these as and when they are required. The CMS should be able to integrate, or share data with other platforms via open APIs – this could, for example, allow predictive analytics software to determine the likelihood of asset failure. BHCC are in discussion with a range of providers who are looking to offer such a service / system.

## 3.6 ELECTRIC VEHICLE CHARGE POINTS

3.6.1 Electric Vehicle (EV) charge points are a major consideration for most Local Authorities in that they provide a valuable service and promote sustainable travelling.



### 3.6.2

One such supplier of column mounted charging systems is Ubitricity who produce a system by way that:

- Smart technology is in the charging lead, meaning the charging socket can be less intelligent and therefore smaller (and cheaper)
- Column door is replaced with a bespoke one containing a simple socket
- Quick to install (around 3 minutes or less)
- Can identify a Socket not being used and move it to a better location
- Smart lead contains an MID approved meter



Smart cable



Sample installation



Simple socket

### 3.6.3

Whilst some Authorities such as the London Borough of Hounslow have implemented a trial of these, other authorities are wary of this approach. The following considerations and associated costs need due consideration:

- The electrical supplies to columns are PME (live, neutral and combined earth) and these supplies are not permitted for EV points. The electrical Regulations require the supply to EV points to be what is termed TT (live and neutral with the customer providing their own local earth, via earth rods or earth mats). This will come at a cost and it can be questionable if the client (BHCC) earthing can be installed such that the defined resistance values can be achieved and maintained due to varying ground conditions.
- Street lighting supplies are un-metered as the electrical load is deemed predictable. If an EV point is added to the column then the un-metered agreement is no longer valid and a metered supply is required.
- The interior of the column may not be able to accommodate the equipment required for the charging system as well as metering separate meter, thus may require the columns being replaced.
- Consideration must be given to the existing electrical infrastructure within the street (i.e. the DNO services) as to whether the power is adequate to accommodate the additional electrical loading required for EV points?
- Such columns would need to be located at the front of the footway so as not to require charging leads crossing the footway potentially causing a safety issue to pedestrians.

# 4

## DESIGN AND SPECIFICATION

### 4.1 APPLICATION OF DESIGN AND STANDARDS

4.1.1 It is important that any exterior lighting projects from the design through to installation are compliant with the requirements of the Construction Design and Management Regulations 2015, CDM<sup>2015</sup>. Good Practice guidance is available from the Institution of Lighting Professionals (ILP) in relation to design competencies and from Highway Electrical Registration Scheme (HERS) in terms of installation, electrical and maintenance aspects of the work.

4.1.2 Good design applying the lighting design Standards BS5489-1 and national guidance forms is a critical element to achieving energy efficient lighting solutions. Design should be undertaken by competent lighting personnel ensuring that the Standards are being applied. This aligns to the principles of Ultra Efficient Lighting (UEL) *“the right light, in the right place, at the right time, with the right control system”* as well as the European Commission’s Green Public Procurement (GPP) approach to provide sustainable public lighting.

4.1.3 The Standards present a good scope to bring about additional energy and carbon savings through:

- A change in the assignment of lighting class to be applied to a road / street area, the existing road and footway gazetteer description matched closely to the road and footway hierarchy descriptions within the Standards,
- The application of a risk based design approach to define the lighting requirements to local needs / activities,
- The ability to reduce lighting levels through the application of white light, an approach termed S/P ratios which relates to how bright the eye perceives a lit road under different white light sources,
- The ability to adapt the lighting to suit the task, this permits the lighting class to be changed as road or street area use is reduced. The reduction is based upon the use of the areas concerned and still retains a defined lighting class of performance.
- The ability to turn the lighting on when it is required, termed trimming.

4.1.4 Use of white light sources are now generally chosen for residential roads. This follows research into the improved visual performance of white light sources; essentially a road lit with a white light source looks brighter to the human eye. BS5489-1:2013 recognises this and allows an adjustment to be made for white light sources in subsidiary roads, essentially permitting the designer to light to a lower level which is perceived as being as bright as when lit to the required level under SON.

### 4.2 TRIMMING (REVIEW OF SWITCHING ON / OFF TIMES)

4.2.1 In general street lighting switches on when the light levels fall to 70 lux and this has always been taken as the standard for this operation. However the original reason for this was linked to the run up time required for the lamps and gear to achieve their required operational output. With developments in lamps and gear this process is now quicker.

- 4.2.2 As such, Authorities are now considering reviewing the switch on lighting level and a number are adopting a value of 55 lux (some even extending to 35 lux). Whilst this may not sound much the saving can be fairly significant depending upon the Authorities latitude and hence day lighting hours (dawn to dusk). Generally changing from 70 to 35 lux will put back the switch on and off times by some 10 to 15 minutes per unit which equates to around 91 hours per annum. In residential areas this can be extended further to switch lighting on at 20 lux as the design levels required within the areas are in the order of 10 lux, the lighting effectively being switched on and off precisely when required.
- 4.2.3 Energy savings through trimming can only be achieved by operating under half hourly trading arrangements which requires a CMS to be in place.
- 4.2.4 The BHCC energy tariff is made up of two components the first being the cost to produce the energy and the second being the cost of distributing the energy within the UK. The latter is termed Distribution Use of System (DUoS) charges.
- 4.2.5 The cost of distribution varies during the day in relation to consumer demand. For the street lighting sector it is split into three bands black, yellow and green with black being the most expensive and reflects largest network demands. Green is the lowest reflecting lowest network demand, essentially off peak.
- 4.2.6 Between November and February street lighting is using energy during the black DUoS period which is normally during early evening and the costs are disproportionate to consumption.
- 4.2.7 Anything that can reduce the use of energy during the black DUoS period can have a significant impact on the load profile. The application of trimming is a key factor in this.
- 4.2.8 Through trimming, BHCC may save 15 minutes of operation per day per column which equates to 91 hours per annum. When considered against BHCC's 18,010 column's under this business case this equates to 1.639M hours per annum.

### 4.3 ADAPTIVE LIGHTING / DIMMING

- 4.3.1 An authority through its efficiency review could look to introduce a City wide adaptive lighting / dimming strategy to align to the principles of Ultra Efficient Lighting (UEL) *"the right light, in the right place, at the right time, with the right control system"* as well as the European Commission's Green Public Procurement (GPP) approach to provide sustainable public lighting. The strategy would be a major contributor to managing an authority's future revenue budget through ensuring that the correct lighting levels are applied to meet the tasks being lit; essentially ensuring that the roads are not over lit and light is not wasted.
- 4.3.2 It is imperative to remember that before adaptive lighting can be implemented, full consultation should be carried out with all relevant stakeholders and risk assessments in accordance with Step 2 of the BS5489-1:2013 design process. There are certain areas where adaptive lighting might not be implemented or can be considered but with extra caution based upon a specific site risk assessment as indicated below.

Application	Part-night / switch off	Dimming
Conflict areas	No	Yes
High street crime	No	No
CCTV	No	Only if CCTV system permits and following consultation
Special security areas	No	Only following consultation
Areas adjacent to public entertainment, licensed premises, shops, clubs etc.	No	Yes, can also consider increasing levels when clubs close

- 4.3.3 The ILP has undertaken detailed research analysing data for residential areas through which a clear lighting profile became apparent. For these areas once the lighting switches on it should operate at 100% output until 22:30. This is the time that has been identified as the acceptable time to implement dimming.
- 4.3.4 From 22:30 until 06:00 the lower lighting class can be applied which equates to an approximately 25% reduction in energy and carbon. It should be noted at this point that there is not a direct link between the amount of money and energy saved.

The lighting should return to 100% output from 06:00 until dawn, to allow for the increase in both pedestrian and vehicular traffic flow.

## 4.4 CONTROLLING ADAPTIVE LIGHTING

4.4.1 Adaptive lighting can be implemented in a number of ways as follows:

- Preset dimming through the use of dimming photocells which will send a signal to the ballast at a defined time of night to dim the lighting. These units are essentially a one off pre-programmed item which will require replacement if the adaptive lighting periods / times are to change.
- Preset dimming through intelligent ballasts. The ballast can be programmed such that they 'know' the time of year and will dim the light output at a defined time of night. These units are essentially programmed before installation and the majority can be re-programmed if the adaptive lighting periods / times are to change.
- Central Management System. The CMS allows a fully flexible adaptive lighting installation to be commissioned with the times of changing lighting levels programmed through the server and communicated to each lighting column. This permits different profiles for during the week and weekends, permits changing the lighting regime to accommodate events where the full light output may be required and facilitates trimming.

4.4.2 Based upon approaches within other authorities we have based the business case on the dimming of 60% of the streets within BHCC and used the core hours recommended by the ILP and advised earlier.

## 4.5 PART NIGHT LIGHTING

4.5.1 From BHCC's perspective there is no consideration at this time for the application of a full switch off but in the future there may be consideration for some part night installations, for example where areas abut against the South Downs. Any such consideration would not be undertaken without appropriate consultation. The ILP have produced a guidance document on the risk assessment approach to be considered / followed when considering any part night considerations and this has been included within Appendix G

4.5.2 For the purpose of this business case should part night lighting within the areas advised be considered then it will mainly affect approximately 20% of the existing 35 and 55 Watt SOX lighting. If a part night strategy is to be applied then it is expected that the areas considered will be lit at full output between dusk and 22.30 where the lighting will then be adapted (dimmed) to the next lowest lighting class until 00.00 (midnight) when it will be turned off. In the early mornings the lighting will be turned back on to full output from 06.00 until dawn. Where this is applied then the energy and carbon savings will amount to approximately 75 to 80% compared to the current energy use.

## 4.6 ENVIRONMENTAL CONSIDERATIONS

- 4.6.1 One major benefit of lighting level reduction is the associated reduction in energy and consequently potentially polluting carbon CO<sub>2</sub> emissions.
- 4.6.2 Through the applicable choice of lantern and mounting arrangement upward light can be minimised to reduce sky glow. This can affect the view of the night sky which is particularly relevant to astronomical observatories. The application dimming or part night switch off will also aid the reduction of unnecessary light during the night.
- 4.6.3 As with upward light reduction, efficiently designed lanterns and mounting arrangements will minimise unnecessary light intrusion into adjacent properties or areas.

## 4.7 ALTERNATIVE POWER CONSIDERATIONS

- 4.7.1 The use of solar power is growing as a sustainable method for the production of electricity and a number of suppliers have considered the installation of solar panels on lighting columns. One such provider is Scotia who produce a square column in cross section with solar panels on three sides starting from 1.5m above ground level (anti vandal considerations). When installed the column is set up such that the panels are positioned to make the best use of the sun's position through the day. When these first appeared on the market the way forward was to use what is termed the 'feed-in tariff' arrangements which is where the solar system feeds any electricity not required during daytime into the national grid for which the producer gets paid. Electricity can then be drawn back when required.
- 4.7.2 At the outset the feed in tariff was in the order of 45p/kWhr paid for energy generated and energy 'drawn back' later cost in the order of 10p/kWhr so at that time there was the potential for a business case based upon the charge for the sale of energy against the electrical load taken provided that the column could generate sufficient energy.
- 4.7.3 At the time of investigation it was considered that at best with good sun light access to the panels (i.e. no shadowing from buildings etc. which is unlikely in a lot of instances) that a 10m SunMast could generate 276 kWh/yr.
- 4.7.4 From a general perspective we have seen feed-in tariff rates fall as the scheme has been far more successful than the government ever expected so payback considerations are diminishing. It would be more appropriate to install such units on top of a building with full sun light access rather than a lighting column.
- 4.7.5 It should also be noted that if a solar unit is installed based upon feed-in arrangements that there is still the high cost of connection to the mains electricity supply.

# 5

## FINANCIAL BUSINESS CASE

### 5.1 ENERGY RATES

5.1.1 It is important to consider electricity costs and predicted changes to tariffs in the future, within the payback assessment calculations. The council's current energy tariff is £0.1079p kWhr and we need to understand how this may change.

5.1.2 **Table 9** has been developed from Department of Energy & Climate Change (DECC) figures and looks to the street lighting energy market up to March 2024. The table considers low through to high energy rate changes (pink cells) and advised on a media price based upon these (blue cells) with the year on year % increase being shown (whitecells).

5.1.3

**Table 9**, DECC energy forecast.

	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Cost of Electricity (low)	8.97	9.42	9.92	10.07	10.37	12.05	11.78	12.37	12.60	13.01
Cost of Electricity (reference)	9.58	10.52	11.29	11.29	11.40	12.77	12.90	13.52	13.83	14.37
Cost of Electricity (high)	10.19	11.89	12.73	13.00	13.45	14.84	14.97	15.54	15.66	15.97
Av cost of Electricity	9.58	10.52	11.29	11.29	11.40	12.77	12.90	13.52	13.83	14.37
% Increase on year		9.8%	7.3%	0.0%	1.0%	12.0%	1.0%	4.8%	2.3%	3.9%

5.1.4 It will be noted that March 2020 indicates a 12% increase in energy. This is to be expected as the Chancellor George Osborne announced in his 2016 budget that he will abolish the carbon reduction commitment (CRC) and raise the Climate Change Levy (CCL) from 2019 to compensate. The Treasury will increase the main rates of the CCL from 1 April 2019 to "cover the cost of CRC abolition in a fiscally-neutral reform".

### 5.2 EVIDENCING THE POTENTIAL SAVINGS AND PAYBACK PERIODS

5.2.1 Payback is based upon the cost of the changes to the street lighting asset against the energy and operational savings that these changes will return. It is therefore a factor of the value of the current asset in terms of energy consumption and reactive / routine maintenance operations against the costs of the new equipment in terms of materials and installation as well as the new energy and operational costs.

- 5.2.2 It should be noted that payback is the breakeven point at which the cost of investment breaks even with savings and all clients should ensure there is a period of earned savings made before any further consideration is made for future savings on the installation.
- 5.2.3 Through moving from a lamp-based light source to an LED based upon the current control regime the electrical load can be reduced by up to 4,369,530kWh, which is achieved through intelligent control systems, trimming and dimming.
- 5.2.4 In terms of cost, moving from a lamp based light source to an LED based upon the current control regime reduces the energy cost by £471,472 per annum which is achieved through intelligent control systems, trimming and dimming.
- 5.2.5 **Table 11** shows the predicted Carbon Reduction Commitment costs as advised by DEC for the coming years. It should be noted as advised above that the CRC payment stops for 2020 and is then incorporated into the Climate Change Levy (CCL).

**Table 11**, DECC predicted CRC payments until 2022.

**CRC**

	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22
£/tCO <sub>2</sub> e	£15.70	£ 17.49	£ 19.28	£ 21.06	£ 22.85	£ 24.64	£ 26.43	£30.00

- 5.2.6 The move from a lamp-based light source to an LED based upon the current control regime reduces the carbon footprint by 2,179 Tonne CO<sub>2</sub>. When we consider the application of trimming and adaptive lighting (dimming) as well this reduces the current electrical load by 2,363 Tonne CO<sub>2</sub>.
- 5.2.7 In terms of cost, moving from a lamp-based light source to an LED based upon the current control regime reduces the carbon cost by £41,344 per annum, achievable through the applications stated above.
- 5.2.8 A total energy and carbon saving of £512,817 per annum can therefore be achieved.
- 5.2.9 It should be noted that the above savings are also based upon the full application of the British Standard for road lighting, BS5489-1:2013 which permits a reduction in lighting level when using white light.
- 5.2.10 Overall, as can be seen based upon the inventory provided, the potential electrical load savings across the whole lighting asset through the introduction of LED technologies equates to around 43% but increases to 60% when trimming and adaptive lighting (dimming/part night switch off) is considered.
- 5.2.11 The savings on the CPO lamp technologies (17% of stock) are lower at 29%, as the CPO lamp already has a high level of energy efficiency. This is in comparison to the other light sources such as High Pressure Sodium (SON) where savings of 30% to 58% and SOX where savings of 29% to 57% are both achievable.

## 5.3 FURTHER CONSIDERATIONS

- 5.3.1 In future there may be consideration given to some part night lighting, for example in areas which abut the South Downs. If considered then it is expected that this will mainly affect approximately 20% of the 35 and 55 Watt SOX lighting. If a part night strategy is to be applied then it is expected that the areas considered will be lit at full output between dusk and 22.30 where the lighting will then be adapted (dimmed) to the next lowest lighting class until midnight when it will be turned off. In the early mornings the lighting will be turned back on to full output from 06.00 until dawn.
- 5.3.2 If this approach is undertaken in addition to the saving strategies already identified then it is anticipated that the overall energy and carbon savings will be in the order of 60%.
- 5.3.3 This will provide an additional saving of £6,515 per annum thus providing an overall saving of £519,332 per annum.
- 5.3.4 In addition the existing 1,100 street lights that have already been converted to LEDs under the trial installations need to be considered with respect to their operational profiles. Once these lanterns have been fitted with an intelligent control then their profile can be set to include trimming and adaptive lighting. This will bring an additional £8,026 per annum saving.

## 5.4 PAYBACK

- 5.4.1 In order to estimate the payback upon investment for a move to LED lanterns the current BHCC street lighting rates have been considered. The core contract requirements are not available so a number of assumptions have had to be made. It should be noted that, as discussed later, payback is the breakeven point at which the cost of investment breaks even with savings and all clients should ensure there is a period of earned savings made before any further consideration is made for future savings on the installation.
- 5.4.2 The installation costs are provided in Appendix I.
- 5.4.3 These costs have been compared to other local authorities that are looking to similar projects and could be considered comparable to BHCC with an average lantern installed cost of £335.
- Bournemouth Borough Council, undertaking a Salix funded project to replace 16,627 street lights plus other funding of £1,000,000 for lighting column and £448,000 for illuminated signage. Their average installed lantern costs being £377.
  - Wirral, looking at a cost of £320 per lantern fitted.
- 5.4.4 The current maintenance regime is based around a three yearly bulk clean and change which is based upon the current lamp and ballast technologies. Moving to LEDs will remove the requirement for a lamp change but the lantern will still require a routine clean. It is suggested that this operation should move to a six yearly frequency which will then link with the electrical testing regime and provide further operational and efficiency savings.
- 5.4.5 Colas (the incumbent contractor) have advised that based upon the trial installations and experience on other projects that there would be a potential saving on the bulk clean and change cost of circa £170,000 per annum. This figure relates to when the whole programme has been completed and would therefore be approximately £57,000 per annum whilst the programme is in progress.



5.4.6 In addition to the above savings a reduction in reactive maintenance would be expected in the medium to long term future following completion of the project. However, it is not possible to accurately predict figures at this stage, particularly as the new core contract requirements are not yet procured.

5.4.7 The payback period based upon the anticipated work costs and the core approach to changing to LEDs with adaptive lighting but not part night lighting is estimated at:

- Payback based upon changing to LED lanterns and CMS control equates to 13.6 years.
- Payback period based upon changing to LED lanterns, CMS control and lighting columns 15.4 years.

5.4.8 If the existing LED installations and also part night lighting are also considered then the revised payback periods will equate to:

- Payback based upon changing to LED lanterns and CMS control equates to 13 years.
- Payback period based upon changing to LED lanterns, CMS control and lighting columns 15 years.

5.4.9 The project at this time is being considered for a 3 year deployment and based upon this the CPO installations would be considered towards the end of the whole deployment period. This is based upon the CPO installations being fairly new and comparatively energy efficient at this time. By the time the final year of the project is achieved then these installations will be a substantial way through their life span and should be considered for replacement / upgrade.

5.4.10 Payback calculation notes:

- Savings have been considered based upon expected PECU / CMS array data, i.e. 4,059 burning hours per annum as the savings and change from 70/35 lux to photocell 35/18 lux have been considered earlier.
- In addition to the saving through energy there should be a reduction in reactive maintenance operations as the LED supplier data shows the equipment to be more reliable in operation than the current lamp and magnetic control gear used.
- It should be noted that the payback period is based upon the current energy tariff paid by BHCC of 10.79p kWhr and then the forecast energy prices advised by DECC as discussed in section 5.1.
- CRCEE has been based upon the current 2015/16 rate of £17.49 per tonne of CO<sub>2</sub>.

## 5.5 LIKELY WORK REQUIREMENTS

5.5.1 BHCC need to consider the condition of the whole asset and the work required to columns, supply connections and lanterns to ensure that the project looks to provide the right level of lighting for each street and road.

5.5.2 Considering the work undertaken in the past three years it would not be viable to:

- Upgrade / replace the CPO lighting installed within the past 3 years within the early stages of the 3 year project programme as it may not have a better LED solution and the CPO was installed as an energy reduction measure over the then existing lighting,
- Older CPO installations may have a valid LED solution as the lantern is still well within its operational life so from an asset management perspective a retro-fit option may be preferable. In part this depends where the lanterns sit within the deployment programme. If a 3 year programme is to be considered then in year 3 some of these lanterns may then have a valid replacement requirement based upon their then age.

## 5.6 FINANCIAL BUSINESS CASE FUNDING OPTIONS APPRAISAL

5.6.1 The Green Investment Bank(GIB) provides a loan facility to support spend to save schemes for low carbon, energy saving projects. The key benefits of these loans include interest rate certainty, the ability to draw down funding in line with cash flow requirements for up to five years and the ability to defer repayments in line with estimate cost savings (subject to rolled up interest) at the point of agreeing financing of the project. These loans have been used by a number of authorities across the country to support appropriate projects. However, each authority's financial position is different at the point of decision and prevailing market conditions may make other options more attractive

5.6.2 Although there are considerable benefits to the GIB loan facility, the associated costs of this loan include arrangement fees, commitment fees for any deferred drawn downs of resources and monitoring fees in addition to rates greater than current Public Works Loan Board (PWLB) borrowing at the point of fixing the interest rate. It has been estimated that the fees associated to the GIB loan facility would be £0.090m and the interest rate could be between 0.5% and 1% higher than PWLB rates at the point of agreeing the loan. PWLB rate currently attracts an additional 0.20% discount known as a certainty rate; interest rates are at historically low levels and the projected rates from the council's treasury advisors are that they will remain so during the investment period of this project. It is therefore considered that the interest rate risk is limited and therefore a loan facility with GIB would not provide value for money in this instance. The council's cash flow management position and the ability to access historically low interest rates on PWLB borrowing over the duration of this project outweigh the benefits of the GIB loans highlighted above.

5.6.3 A 'do-nothing' approach has also be considered. The proposed scheme is forecast to generate service savings (although not to the level identified in the ISFP), and therefore a do nothing approach would not allow these savings to be generated. Future year modelling of inflation and energy price estimates suggests that to do nothing would result in service pressures in the long-term of up to £0.050m per annum by 2030; this is in addition to the unachieved savings target. The proposed scheme would help mitigate this risk as it reduces the amount of electricity required for the street lighting portfolio.

5.6.4 Attached below is the Financial Business Case Summary including capital costs and funding and revenue implications.

<b>Capital Funding</b>	2017-18	2018-19	2019-20	<b>Total</b>
	£'m	£'m	£'m	£'m
<u>Capital Expenditure:</u>				
Electrical Works	2.318	2.318	2.318	<b>6.954</b>
Columns and Connections	0.334	0.334	0.334	<b>1.002</b>
<b>Total Capital Costs</b>	<b>2.652</b>	<b>2.273</b>	<b>2.273</b>	<b>7.956</b>
<u>Funded by:</u>				
Unsupported Borrowing	2.352	2.352	2.352	<b>7.056</b>
LTP Capital Grant	0.300	0.300	0.300	<b>0.900</b>
<b>Total Funding</b>	<b>2.652</b>	<b>2.652</b>	<b>2.652</b>	<b>7.956</b>

<b>Revenue Implications</b>	2017-18	2018-19	2019-20	2020-21
	£'m	£'m	£'m	£'m
Additional Salary Costs	0.046	0.046	0.046	0.000
Reduction in Bulk Lamp Clean and Change Costs	0.000	(0.067)	(0.133)	(0.200)
Reduction in Electricity Costs	0.000	(0.157)	(0.314)	(0.472)
Reduction in Carbon Reduction	0.000	(0.014)	(0.028)	(0.041)
<u>Commitment Costs</u>				
Borrowing Repayments	0.000	0.159	0.328	0.499
<b>Total Revenue Implications</b>	<b>0.046</b>	<b>(0.033)</b>	<b>(0.101)</b>	<b>(0.214)</b>



# 6 ASSET MANAGEMENT

## 6.1 ASSET MANAGEMENT

- 6.1.1 Public lighting is a long life asset with columns having a typical design life of 40 plus years, lanterns 20 years and light sources 4 plus years. It is best managed as such with service improvements being introduced to suit the design life i.e. when asset become life expired and with due consideration to maintaining an even revenue maintenance / refurbishment budget year on year introducing efficiencies as they are or become applicable without inadvertently introducing any long term problems through poor asset management and change regimes.
- 6.1.2 The Government have been encouraging Authorities to develop a Highway Infrastructure Asset Management Plan (HIAMP) which in turn is supported by Maintenance Management Plans for Highways, Structures and Public Lighting.
- 6.1.3 The London Lighting Engineers Group (LoLEG) through funding from the London Transportation Asset Management Board (LoTAMB) have produced a framework document for London Authorities to guide them through the process of developing their own Public Lighting Maintenance Management Plan (PLMMP) and this is available through the LoLEG web site [www.loleg.co.uk](http://www.loleg.co.uk) WSP | PB were part of the LoLEG panel developing this system and have implemented it within Westminster City Council.
- 6.1.4 The introduction of LED technology will not only bring additional energy savings but also enable advantages to be taken of the change to 'life cycles'. The Revenue funded activities could be changed to the following:
- 6-yearly 'Clean' (to ensure quality light is emitted from the lanterns)
  - 12-yearly 'LED Driver' change
  - 2-yearly General Inspection (Visual)
  - 6-yearly 'Detailed Inspection' (TR22 Structural Assessment)
  - 6-yearly Electrical Integrity Testing
  - Reactive Maintenance

## 6.2 INTRODUCING ENERGY SAVINGS AND EFFICIENCIES

- 6.2.1 BHCC are looking to a programme of energy and carbon savings whilst managing the street lighting service delivery. The timescale for the deployment of efficiency saving equipment and techniques for this need to be carefully considered from the point of view of good asset management.
- 6.2.2 It may be tempting to look to funding to replace as many lanterns and columns within BHCC as possible within a short time scale. This will, as discussed later, bring large energy and carbon consumption savings as well as service improvements such as an initial reduction in reactive maintenance. However it should be understood that a 'do it now' approach whilst bringing these large scale savings now will potentially mean that no further energy savings can be achieved in the future downstream from the investment period.
- 6.2.3 It may therefore be better to look at the application of good asset management and bring in efficiencies through new technologies and good operational practices such that year on year investment can be made with year on year energy and carbon consumption savings.

# 7

## EQUALITIES/IMPLICATIONS

### 7.1 EQUALITIES IMPACT ASSESSEMENT STATEMENT

7.1.1 In respect of the following areas it is not considered that there are any issues that would disproportionately disadvantage any particular protected characteristic group:

- Legislation
- Environmental impact
- Maintenance requirements
- Design
- Replacement works
- Added value
- Light sources
- Future strategy

7.1.2 The following provides explanation:-

<b>Legislation</b>	The council clearly intends to comply with all legal requirements and statutory duties and codes. No particular protected characteristic group will be affected by the compliance with legal requirements
<b>Environmental Impact</b>	The council is committed to providing a sustainable environment for the residents and stakeholders in the city. This commitment has been historical and seeks to benefit all. No particular protected characteristic group will be impacted.
<b>Maintenance Requirements</b>	The council has in place a set of processes and procedures that allow for an effective and sustainable maintenance regime. This regime benefits all residents. Therefore, no protected characteristic groups experience the council's approach to the maintenance of street lighting differentially.
<b>Design</b>	Designs are undertaken to ensure streets are lit to appropriate levels and in line with national guidance and British Standards according to each street's classification and usage. Therefore no protected characteristic groups experience the council's approach to design in relation to street lighting differentially.
<b>Replacement Works</b>	Replacement works are planned in advance and comply with requirements in respect of traffic management, and parking suspensions and other statutory requirements. This is of benefit to all residents. Therefore no protected characteristic groups experience the approach to replacement works in relation to street lighting differentially.
<b>Added Value</b>	Added value is about ensuring that design, maintenance and environmental impacts are considered in order to consider current standards and specification as well as minimise future maintenance costs. This benefits all residents. Therefore no protected characteristic groups experience the council's approach to added value in relation to street lighting differentially.
<b>Light sources</b>	The council is committed to using the most efficient method of illumination to minimise energy and carbon usage and to reduce electricity costs. This benefits all residents, and thus no protected characteristic groups experience the council's approach to added value in relation to light sources in relation to street lighting differentially.
<b>Future Strategy</b>	The council is committed to continuing to reduce energy and carbon emissions and to work jointly with colleagues and partners to provide city wide benefits, such as smart cities technology. This benefits all residents. Thus no protected characteristic groups experience the council's approach to future strategy in relation to street lighting differentially.

## **7.2 OTHER IMPLICATIONS**

- 7.2.1** Each street is designed individually to meet British Standards and other national guidance in respect of road lighting.
- 7.2.2** Any specific issues relating to individuals are dealt with on a case by case basis. We will be notifying customers of upcoming improvements and provide contact details.
- 7.2.3** Consultation with Sussex Police will be undertaken where needed and guidance sort from them in respect of crime areas and need for CCTV coverage.
- 7.2.4** There are some common standards relating to Smart Cities which are currently being consulted on. These will be kept in mind and applied where/when appropriate.
- 7.2.5** All requirements relating to permitting, traffic management, road closures and parking suspensions will be adhered to.





# APPENDIX A

## INVEST TO SAVE FUNDERS APPROACH

### CORE APPROACH

The funders will each have their own requirements for application and some focus purely on funding for energy saving equipment, light sources, control equipment, lanterns and the like whereas others will also include for other assets such as lighting columns and electrical connections. Some may also look to the sustainability of the installation with regard to good asset management avoiding potential downstream issues.

All funders adopt the same basic approach to how the loan is considered and paid back which is generally through the energy usage and Carbon Reduction Commitment (CRC) savings achieved.

At present funders do not take into account savings in maintenance and reactive operational savings brought about through reviewed operation procedures.

### FUNDERS CORE REQUIREMENTS

When considering any funding option it is important that a due diligence review has been undertaken, essentially ensuring that the existing asset is known and understood such that the existing base line energy and carbon can be accurately determined as this will be used to aid the prediction of any savings.

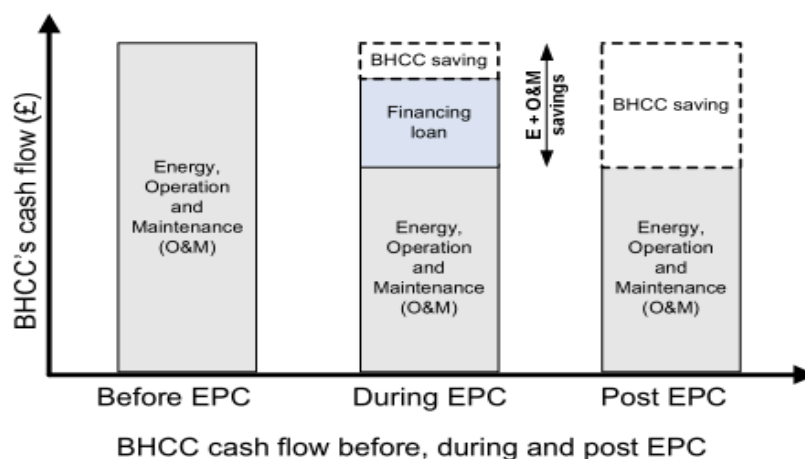
The review of new technologies / energy reduction strategies should be undertaken such that the required performance requirements are met in terms of lighting levels, suitability of the proposed technologies i.e. LEDs such that future energy and carbon costs can be determined.

The energy and carbon savings can then be calculated based upon the predicted electrical and carbon costs and the known existing costs.

The installation costs and project period can be established based upon the technologies and lighting strategy to determine year on year installation costs.

Payback is based upon the cost of the changes to the street lighting asset against the energy and operational savings that these changes will return. It is therefore a factor of the value of the current asset in terms of energy consumption and reactive / routine maintenance operations against the costs of the new equipment in terms of materials and installation as well as the new energy and operational costs.

The following chart indicates the cash flow process before, during and after the Efficiency Procurement Contract (EPC). It should be noted that actual energy and carbon savings to BHCC will not be achieved until the end of the EPC period. During this period there will be a reduction in energy and carbon costs as the new technologies are deployed but these savings are used to fund the loan. There may also be operational routine and reactive maintenance savings during the EPC period brought about by the use of more reliable and longer lasting equipment, these are shown as the BHCC savings during the EPC.



It should be noted that through the way that public lighting energy is procured using un-metered supplies that energy savings are not immediate and are only made when the inventory is updated and submitted to the energy supplier for agreement. This may be on a 6 or 12 monthly basis. It should therefore be appreciated that the savings introduced through the new technologies in the first year of deployment will only be recognised and achieved in year two of the EPC and so on.

Payback is the breakeven point at which the cost of investment breaks even with savings.

## INTEREST RATES

When considering any funding option it is important that interest rates are understood and what may happen to them in the future. The following table has been provided by BHCC for this purpose.

Year of project	1	2	3	4	5
Financial Year	2017-18	2018-19	2019-20	2020-21	2021-22
Interest Rate for each year	3.40%	3.66%	3.88%	4.17%	4.47%

The following table provides a high level comparison of the three funding options.

Loan Provider	Funded		Loan payments				
	Energy saving equipment	Column & connections	Energy savings	Carbon savings	Operational savings	Payback post drawn down	Payment periods (Yrs)
Salix Finance	Y		Y	Y *		Y **	5
Green Investment Bank	Y	Y	Y	Y *		Y **	20
Public Works Loan Board	Y	Y	Y	Y *	Y		25

Notes:

\* Carbon savings are at the Council's risk as the CRCEE scheme is likely to be removed and the carbon cost incorporated into the Energy Climate Levy.

\*\* The loan payments commence upon energy savings being achieved.

# APPENDIX B

## GREEN INVESTMENT BANK

### OVERVIEW

The Green Investment Bank (GIB) is 100% owned by the government although privatisation is being considered, and has some £3.8bn to invest in green technologies to accelerate the UK's transition to a green economy, although there are currently considerations to privatise it.

A number of Authorities are looking to the GIB and Glasgow and South-End-on-Sea have progressed with a project and funding requests with a number of other authorities in the process of applying for funding.

The GIB do lend on commercial terms.

The GIB see street lighting as being a key market for them to consider and have developed a specific application process, mainly due diligence and technical requirements for any Authority looking to bid for funding. The GIB don't just look at the primary energy and carbon savings but also look to consider secondary environmental effects and causes and good asset management is one of these considerations.

Funding from the GIB is not limited to just the energy efficient equipment, as is the case with Salix funding, but can consider the rest of the infrastructure such as the columns, connections and underground cabling although payment is still through the energy and carbon savings. Repayments are matched to energy savings.

It is permissible to include CO<sub>2</sub> reduction through the Carbon Reduction Commitment Energy Efficiency scheme (CRCEE) within the savings. However this must be at a considered risk as there are current proposals to scrap the CRCEE scheme and bring the carbon cost into the Climate Levy charge which forms part of the energy tariff

The GIB does not have any prescribed delivery roll out for the investment but from examples seen would consider programmes of up to a 5 year implementation plan with a 20 year loan period. Interest is only payable once the funding is drawn down for . GIB recognise that payback periods may well be of the order of 6 to 16 years.

The benefits of GIB funding include:

- Rate certainty, this is a fixed rate loan facility (from signing to final repayment) with a transparent pricing mechanism providing low all-in interest rates;
- Cash flow matching drawdown periods of up to five years to match forecast project spend;
- Repayment deferral interest rolled up during installation and repayments only commence once this is complete (essentially once savings are starting to be made, repayments would commence based upon an agreed schedule and would normally be considered to start six months after each phase of the works is completed. This would require the BHCC inventory being updated on a six monthly basis to ensure that the savings are being achieved;
- Profile of repayments debt repayments profiled to match forecast savings for up to 25 years; and
- Ease of execution – standard loan documentation, developed with local authorities, and guides to streamline investment process.

# APPENDIX C

## **PUBLIC WORKS LOAN BOARD (PWLB)**

### **OVERVIEW**

Public Works Loan Board (PWLB) moneys are provided by Act of Parliament, drawn from the National Loans Fund and rates of interest are determined by the Treasury. The Board's accounts are audited by the Controller and Auditor General whose reports on them are laid before Parliament.

The consideration of a loan from the PWLB is that repayments are not linked to energy savings and as such a business case can be developed based upon total revenue savings which will include the associated energy and carbon savings but also savings achieved through operational savings brought about through new / revised routine maintenance operations and potentially reactive maintenance through the use of more reliable and longer life equipment.

It should also be considered that the PWLB loan is also not linked to any specific measures such as energy reduction as required under both Salix Finance and the Green Investment Bank. The PWLB could therefore be used in conjunction with Salix Funding to cover the cost of non-energy saving infrastructure required for the project, the loan being paid back through operational savings.

The notes comparing GIB and PWLB should be considered as essentially the PWLB loan payments commence from when the loan is first drawn down whereas Salix and GIB repayments commence once savings start to be achieved.

# APPENDIX D

## REFERENCE DOCUMENTS

### British Standards

- BS 5489-1: 2013 Code of practice for the design of road lighting
- BS EN 13021-2 Road lighting, performance requirements

### Highways Agency documents

- TD 34/07 Design of road lighting for the strategic motorway and all-purpose trunk road network
- TA 49/07 Appraisal of new and replacement lighting on the strategic motorway and all-purpose trunk road network
- IAN 167/12 Guidance for the removal of road lighting

### Institution of Lighting Professionals

- TR12 Lighting of pedestrian crossings (1997)
- TR25 Lighting for traffic calming features (2002)
- TR27 Code of practice for variable lighting levels on highways
- PLG 02 Application of conflict areas
- ILP document 'Guidance on the reduction of obtrusive light' (2012)

### Other documents

- EU Green Public Procurement (GPP) criteria for street lighting
- EU Energy related Products (ErP) Directive
- TfL CMS road dimming profiles report (draft)
- CIE 150 Guide on the Limitation of the Effects of Obtrusive Light from Outdoor Lighting Installations, (2003)
- CIE 126, Guidelines for Minimising Sky Glow (1997)

## **GLOSSARY**

### **Lamp types**

SOX, Low Pressure Sodium light source, providing a monochromatic orange light.

SON, High Pressure Sodium light source providing a golden light

CDM / CDO, Metal Halide lighting source providing a white light

CPO Philips CosmoPolis lamp, a metal halide light source providing a white light with a good operational life span

LED, Light Emitting Diode solid state lighting source providing a white light source

### **Colour Temperature**

A measure of how warm or cool a light source appears.

### **Lantern**

The term used to describe the lantern or unit that contains the light source and optical components.

### **Unmetered Supplies Operator (UMSO)**

The UMSO is part of the Licensed Distribution System Operator (LDSO), also known as the Distribution Business or Network Operator. The UMSO is responsible for looking after all of the Unmetered Supplies on its Network. The UMSO makes new connections and decides what equipment is suitable for treatment as an Unmetered Supply. The UMSO provides a summarised inventory to the MA for Half Hourly traded UMS or calculates an Estimated Annual Consumption (EAC) for Non Half Hourly traded UMS. In Brighton & Hove, this is UK Power Networks (UKPN), who are responsible for the majority of electrical cabling in the city,

### **Meter Administrator (MA)**

The MA is responsible for providing Half Hourly consumption data into Settlement. This is the consumption of a particular customer in kWh, for each half hour of every day. The Supplier will appoint the MA for Settlement purposes.

### **BSCCo (the Balancing and Settlement Code Company, the role fulfilled by ELEXON)**

It is responsible for ensuring that the processes within BSCP520 'Unmetered Supplies Registered in SMRS' are carried out effectively. BSCCo is also responsible for issuing Charge Codes and Switch Regimes to customer such as product manufacturers and county councils that have an Unmetered Supply inventory. BSCCo also coordinates the Central Management Systems (CMS) approval process.

### **Unmetered Supplies User Group (UMSUG)**

An expert group reporting to the Supplier Volume Allocation Group (SVG) advising them on the UMS arrangements under the Balancing and Settlement Code (BSC). Their work includes reviewing Charge Code applications, advising on changes to the relevant BSC subsidiary documents

### **Switch Regimes**

Switch Regimes are 3 digit codes that allow the operating hours for equipment to be determined. This information together with the power information obtained from the Charge Code allows annual consumption (kWh) to be calculated.

The Switch Regime is a component of the Detailed Inventory submitted by the Customer to the UMSO. This is then used by the UMSO (for NHH Customers) or the MA (for HH Customers) to determine the consumption.

## Charge codes

A Charge Code is simply a 13 digit number which represents a specific type of UMS equipment. It is used by UMSOs and MAs to look up the power value (known as circuit watts) associated with the equipment and calculate consumption.

Charge Codes are required so that the energy consumption of the equipment can be recorded as accurately as possible. Equipment shall not be connected to the Distribution Network without first being issued with a Charge Code.

Standard lighting equipment has the following structure:

Digits	Description.
1 and 2	Identifies the lamp type.
3, 4, 5 and 6	The nominal lamp wattage (typically the power value printed on the lamp e.g. a 100W SON) N.B. this is not the same (usually less than) as the circuit watts.
7	The control gear type.
8,9 and 10	Allows equipment with the same full circuit watts to have a different charge code.
11, 12 and 13	The dimming level, i.e. the percentage of full load (N.B. '100' = full circuit watts).

# APPENDIX E

## INSTALLATION COST ASSESSMENT

Brighton Hove Lighting Strategy

Bill of Quantities

70016163 - Brighton and Hove City Council

02/06/2016 Electrical aspects (luminaire and control)

Item	Item Description	Quantity	Unit	Cost	Total
<b>Series 200: Road Lighting Site Clearance</b>					
200.002	Take down Lantern and remove to tip Any lantern any mounting height	18010	No.	£10.80	£194,508.00
1300.013	Micro Luma 12 LED Dali Post Top GREY, Nema	5212	No.	£160.00	£833,920.00
1300.014	Micro Luma 20 LED Dali Post Top GREY, Nema	7700	No.	£165.00	£1,270,500.00
1300.015	Mini Luma 40 LED Dali Post Top GREY, Nema	1879	No.	£205.00	£385,195.00
1300.016	Luma 1 60 LED Dali Post Top GREY, Nema	3278	No.	£240.00	£786,720.00
1300.017	E/O for Heritage Unit / retro fit	1800	No.	£300.00	£540,000.00
1300.018	Install Lanterns Install any lantern up to 12m mounting height	23	No.	£56.59	£1,301.57
1300.019	Install Lanterns Install any lantern 10m mounting height	3577	No.	£50.78	£181,640.06
1300.020	Install Lanterns Install any lantern 8m mounting height	5946	No.	£49.47	£294,148.62
1300.021	Install Lanterns Install any lantern up to 6m mounting height	8464	No.	£43.65	£369,453.60
<b>Series 1400: Electrical Work for Road Lighting</b>					
14.001	Extra over on any lanterns for supply and installation of CMS node	22741	No.	£70.00	£1,591,870.00
14.002	Extra over on any lanterns for supply and installation of CMS controller - Telensa	4		£5,000.00	£20,000.00
					<b><u>£6,469,256.85</u></b>



70016163 - Brighton and Hove City Council

02/06/2016 Lighting columns, brackets and connections

Item	Item Description	Quantity	Unit	Cost	Total
	<b>Series 200: Road Lighting Site Clearance</b>				
200.001	Take down and remove to tip 8, 10, 12 or 15m flange plated rooted column with single or double arm bracket - any projection.	600	No.	£75.01	£45,006.00
	<b>Series 0600: Earthworks</b>				
	<b>Series 1300: Road Lighting Lanterns and Brackets</b>				
1300.001	Installation of street lighting units. Rooted galvanised steel column numbered complete with lantern control gear , photocell, isolator, fuse all wiring to Isolator/tails. Commission Any lantern 12m mounting height <2m bkt	900	No.	£196.96	£177,264.00
1300.010	6M POST TOP COLUMN (5MM BASE) CU PHOSCO FOREST	900	No.	£167.27	£150,543.00
1300.012	Replace Existing bracket with new Single arm bracket up to 1 metre projection on 5 or 6 metre column.	100	No.	£28.11	£2,811.00
	<b>Series 1400: Electrical Work for Road Lighting</b>				
14.001	Extra over on any lanterns for supply and installation of CMS node on luminaire		No.	£139.38	£0.00
14.002	Extra over on any lanterns for supply and installation of CMS controller			£589.95	£0.00
	<b>DNO WORKS</b>				
TRANSFER	Includes up to 2mtrs excavation to locate the original pot ended cable,trenching and duct laying to the new apparatus including reinstatement in all other composite surface types. Includes service joint,service cable and cut out and includes terminating th	900	No.	£617.00	£555,300.00
					<b>£930,924.00</b>



<b>Subject:</b>	<b>Traffic Signal &amp; Control Equipment Contract</b>		
<b>Date of Meeting:</b>	<b>8 December 2016</b>		
<b>Report of:</b>	<b>Executive Director for Economy, Environment and Culture</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Sean Power</b>	<b>Tel: 01273 290544</b>
	<b>Email:</b>	<b>sean.power@brighton-hove.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 This report seeks committee approval for a tender exercise to be undertaken for a sole supplier contract for the maintenance, installation and supply of the city's traffic signal and associated control equipment.
- 1.2 The contract will replace the current 12-year contract with Siemens Traffic which expires on 31<sup>st</sup> March 2017.

**2. RECOMMENDATIONS:**

That the Policy, Resources & Growth Committee:

- 2.1 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.
- 2.2 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.

**3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 The Council has a statutory duty to provide road safety under the Road Traffic Act 1988 and network management under the Traffic Management Act 2004,

both of these typically include the use of traffic signals and traffic control equipment as covered by this contract. Where traffic signals are being used the Council has a duty to maintain them under the Road Traffic Regulation Act 1984.

- 3.2 The on-street equipment in operation in the Brighton & Hove City Council area currently includes 80 traffic signal installations, 95 signal crossings, 20 variable message car park or traffic information signs and 20 journey time detectors. There are also control, fault detection and monitoring computer systems located in Council buildings but supplied and maintained as part of this contract.

#### Current contractual arrangement

- 3.3 The current traffic signal maintenance and supply contract (held by Siemens traffic) expires on 31<sup>st</sup> March 2017 having operated for a period of 12 years starting 1<sup>st</sup> April 2005.
- 3.4 In order to ensure continuity of the service throughout the city beyond the expiry of the current arrangement, it is necessary to commence procurement for a new contract.

#### Outline intentions for the new contract

- 3.5 The proposed new contract will provide the maintenance, installation and supply of traffic signal and associated control equipment. The contract will provide for inspection and routine maintenance of the existing equipment, response to faults within a set timeframe (most likely as per the existing contract - 3 hours for serious incidents and 16 hours for non-serious incidents) and an out-of-hours call-out service when required at the request of the signal engineer or emergency services. The new contract will also allow the contractor to supply and/or install new equipment. The extent of this installation work will be largely determined by the level of external funding received and the continued high performance of the contractor.
- 3.6 It is anticipated that total works enabled through the proposed contract will be in the region of £600,000 per annum, of which approximately £300,000 per annum will be for fixed and reactive maintenance costs.
- 3.7 It is envisaged that capital-funded schemes will account for the remaining yearly spend of £300,000. It should be noted that this figure for capital-funded schemes is an estimate and is dependent to a large extent on the success of funding bids. There could therefore be significant positive or negative variation in annual spend.
- 3.8 One contractor will be selected to carry out all work under the contract and payment for these works will be based on the contractor's schedule of rates. It is envisaged that all maintenance work will be guaranteed to the appointed contractor with installation work being allocated to the contractor based on their competitive rates and satisfactory performance.

## Procurement Process

- 3.9 The contract will be offered out to tender via an open tender procedure advertised in the Official Journal of the European Union (OJEU).
- 3.10 The tender process will follow a transparent methodology which gives fair and equal access to all suppliers in the market, and will evaluate suppliers' bids on a combination of price and quality criteria (most economically advantageous bid) in line with EU Procurement rules. It is envisaged that the evaluation criteria will be split between 60% on price and 40% on quality.

## **4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 4.1 Various procurement options have been discussed with Finance and Procurement and procuring a contract through an EU process is considered the most suitable.
- 4.2 The option to bring the whole service in-house was considered with the Council taking responsibility for all maintenance, installation and emergency response. This option was discounted in part due to the large capital investment that would be required for equipment and facilities. The Council also currently has no experience in this very specialised field that consists of electronics, computing, communications and traffic control. It was deemed that the large reorganisation that would be needed to bring the service in-house, including the TUPE of staff from the existing contractor, the establishment of a new management team and the training of staff, did not make this a viable option.
- 4.3 The option of collaborating with Surrey, East Sussex and West Sussex County Councils was also given detailed consideration over the preceding 18 month period, but discounted due to the differing priorities and contractual requirements between the Councils.

## **5. COMMUNITY ENGAGEMENT & CONSULTATION**

- 5.1 Other local authorities of a similar size and makeup have been consulted along with suppliers in the market. Feedback has reinforced the proposal to pursue a sole supplier arrangement just for our Council and will be used to influence the contract standards set out in the specification.
- 5.2 Other departments within the Council's transport division have been consulted regarding the proposed fault response times.

## **6. CONCLUSION**

- 6.1 The procurement and award of this sole supplier contract will help the Council deliver its priorities to achieve value for money and to provide high quality service in road safety, traffic management and real time traffic information. In approving the procurement and award of this sole supplier contract, the Council will enable the means not only to fulfil its statutory duties but also help deliver corporate priorities.

## 7. FINANCIAL & OTHER IMPLICATIONS:

### Financial Implications:

- 7.1 The proposed procurement is subject to compliance with the Council's Contract Standing Orders and Financial Regulations. The Council's Contract Standing Orders state that contracts above the value of £0.500m require approval from the relevant Committee or executive decision-making body. The procurement process will be prepared on a basis to maximise economy and effectiveness, and will therefore support achieving value for money. The achievement of value for money when procuring goods and services is a key task to ensure that public money is well spent.
- 7.2 The detailed financial implications of the recommendations in the report will be dependent on the outcome of the procurement process. It is anticipated that the revenue costs associated to the proposed procurement will be funded from approved budgets within the City Transport service. Any variation between contract costs and approved budgets will be reported as part of the budget monitoring process. Any capital expenditure associated to the contract will be funded from the capital programme approved by the Policy, Resources & Growth Committee.

*Finance Officer Consulted: Steven Bedford*

*Date: 25/10/16*

### Legal Implications:

- 7.3 The Council has a duty with regard to road safety, network management and to keep the existing equipment operational.
- 7.4 The Council has a duty to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of 'economy, efficiency and effectiveness'. Supply of this service in a manner that attracts the most economically advantageous bid supports this principle.
- 7.5 The Policy, Resources & Growth Committee is the appropriate decision-making body in respect of the recommendations at paragraph 2 above, given that the value of the contract which is the subject of the proposed tendering exercise is likely to have corporate financial implications.
- 7.6 Further, the Council's Contract Standing Orders (CSOs) require that before expressions of interest can be invited from potential bidders for a contract valued at £500,000 or more, approval must be obtained from the relevant committee, which in this instance is the Policy, Resources & Growth Committee due to the value involved.
- 7.7 The procurement of the new contract must comply with all relevant European and UK public procurement legislation as well as the Council's CSOs. The value of the proposed contract means that the Public Contracts Regulations 2015 will apply in full to the procurement. The opportunity will need to be advertised in the OJEU. Tenders will be scored on the criteria of quality and price as part of the evaluation process.

- 7.8 The new contract should contain robust transitional arrangements to avoid any unnecessary costs to the Council and disruption to the public at the end of the contract period.

*Lawyer Consulted: Isabella Sidoli*

*Date: 27 October 2016*

Equalities Implications:

- 7.9 The Council's Code of practice on Equalities and Workforce Matters is enforced in all procurement and is incorporated within this contract agreement
- 7.10 It is believed that there will be a TUPE requirement for the existing Siemens staff should another contractor be successful in winning the new contract. Further investigation will be undertaken to fully understand the implications of TUPE for this procurement prior to the tender being carried out.

Sustainability Implications:

- 7.11 The current specification for new traffic control equipment includes a requirement for low energy consumption equipment and long life / low maintenance LED lamps. This will continue to be a requirement in the new contract and contractors will be invited to submit their innovative ideas detailing how they can play a key role in driving forward our sustainability agenda.
- 7.12 Living wage standards will also be considered as a requirement of this framework contract.

Any Other Significant Implications:

- 7.13 In recent years the Council has been innovative in its use of traffic signals to promote and enhance alternative and sustainable travel especially in the areas of pedestrian crossings, cycle lanes and bus lanes. The intention is to continue this work utilising new technology as it becomes available in partnership with the incumbent traffic signal maintenance contractor.

## **SUPPORTING DOCUMENTATION**

1. None



<b>Subject:</b>	<b>Wheeled Bin Recycling - Extract from the proceedings of the Environment, Transport &amp; Sustainability Meeting held on the 11 October 2016</b>		
<b>Date of Meeting:</b>	<b>8 December 2016</b>		
<b>Report of:</b>	<b>Executive Lead for Strategy, Governance &amp; Law</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Ross Keatley</b>	<b>Tel:</b> 29-1064
	<b>E-mail:</b>	<a href="mailto:ross.keatley@brighton-hove.gov.uk">ross.keatley@brighton-hove.gov.uk</a>	
<b>Wards Affected:</b>	All		

**FOR GENERAL RELEASE**

***Action Required of the Policy, Resources & Growth Committee***

To receive the item referred from the Council for decision:

**Recommendation:**

That the Policy, Resources & Growth 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;

## BRIGHTON &amp; HOVE CITY COUNCIL

## ENVIRONMENT, TRANSPORT &amp; SUSTAINABILITY COMMITTEE

4.00pm 11 OCTOBER 2016

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

## MINUTES

**Present:** Councillor Mitchell (Chair) Horan (Deputy Chair), Janio (Opposition Spokesperson), Greenbaum (Group Spokesperson), Atkinson, Deane, Miller, Robins, G Theobald and Wares

PART ONE**36 WHEELED BIN RECYCLING**

- 98.1 The Committee considered a report of the Executive Director, Economy, Environment & Culture that provided the consultation results of the wheeled bin recycling trial and sought approval in principle to expand the trial area of 4000 wheelie bins for recycling to all households across the city where there is room for storage estimated at a further 60,000 properties. A full financial business case and audit would be submitted to the Policy, Resources & Growth Committee (PG&R) on 8 December 2016.
- 98.2 Councillor Wares noted that he had received anecdotal feedback that the bins were light and could be blown around in high winds leading to the lids to crack.
- 98.3 Councillor Janio stated that he had received 100% positive feedback from residents about the trial. More residents wanted the bins and he hoped a further roll-out could be underway as quickly as possible. In relation to improvements to recycling rates, Councillor Janio expected there to be a period of adaptation but he believed rates would substantially increase once the scheme was settled.
- 98.4 Councillor Atkinson expressed his thanks to Cityclean staff for their work and from the correspondence he had received, the trial had proven to be very popular. Furthermore, Councillor Atkinson noted that he had received multiple enquires from residents about when they would receive the bins such had been the positive impact.
- 98.5 Councillor Deane asked if the bins would be provided to households that had front gardens or suitable storage but were located in a communal refuse area.
- 98.6 The Assistant Director, City Environmental Management stated that this would not be something taken forward as it would have a detrimental impact on the functioning and efficiency of the service.
- 98.7 Councillor Miller welcomed the results of the trial and asked if there could be a communication focus on items that could and could not be recycled in order to dispel

common myths and increase recycling rates. Councillor Miller asked if a maintenance and replacement budget had been identified, if residents would be permitted more than one bin where appropriate and if it would be possible to locate the bins in communal blocks.

- 98.8 The Assistant Director, City Environmental Management clarified that, subject to the approval of the financial and business case at PG&R Committee, there would be a robust communications and advertising strategy which was not in place for the trial. There was a budget in place for replacement and maintenance of bins that would be supplemented by a shifting in allocation for black box bins as these would no longer be required in the longer-term. The Assistant Director, City Environment Management added that families would be entitled to two bins if required and there would also be the option of lower capacity bins for smaller households. Communal blocks were always a challenge for the service in terms of number and locations and newer developments offered the opportunity to adopt new technologies, including underground storage. Furthermore, discussions were in progress on the wider communal bin replacement programme.
- 98.9 Councillor Robins welcomed the report that had been very well received by residents in his area.
- 98.10 Councillor Greenbaum welcomed the report and asked how storage room for the bins would be assessed, whether this would be self-assessment or if there was existing data.
- 98.11 The Assistant Director, City Environment Management stated that this would be undertaken with a street by street assessment.
- 98.12 **RESOLVED-** That the Environment, Transport & Sustainability Committee notes the update on the wheeled bin recycling trial and recommends to Policy, Resources & Growth Committee that it approves the introduction of wheeled bin recycling in principle subject to detailed financial implications of the scheme being presented for consideration at the Policy, Resources & Growth meeting on 8 December 2016.



<b>Subject:</b>	<b>Wheeled Bins for Recycling</b>		
<b>Date of Meeting:</b>	<b>8 December 2016</b>		
<b>Report of:</b>	<b>Executive Director for Environment, Economy &amp; Culture</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Richard Bradley</b>	<b>Tel: 29-4701</b>
	<b>Email:</b>	<b>Richard.bradley@brighton-hove.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE.**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

1.1 At the Environment, Transport & Sustainability Committee on 13<sup>th</sup> October 2016, a report was presented that detailed the results of the trial using wheeled bins for recycling within the Hangleton & Knoll and Portslade areas of the City. This report highlighted the increase in recycling, decrease in residual waste and very high levels of customer satisfaction using this collection method.

1.2 The Environment, Transport & Sustainability Committee:-

- Approved the business case for the introduction of wheeled bins for recycling for all households across the city, where there is room for the storage of a wheeled bin.
- Recommended that the cost of funding the wheeled bins as a one-off purchase, estimated at £17 per bin x 60,000 properties, together with promotion, education, awareness and delivery costs totalling an approximate £1.1 million shall be referred to Policy, Resource & Growth Committee for further consideration.

1.3 This report is to request that the Policy, Resources & Growth Committee approve the procurement of the one-off supply of wheeled bins and to approve the proposed funding arrangements.

**2. RECOMMENDATIONS:**

2.1 That the Policy, Resources & Growth 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;

### **3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 Kerbside recycling is collected using plastic boxes with 50 litre capacity. Collections using boxes were introduced before the materials recovery facility (MRF) was constructed at Hollingdean and the main materials (paper, card, cans, plastic bottles & glass) had to be sorted into compartments on the collection vehicle. Residents were asked to keep these materials separate, either by having a box for each material or by compartmentalising material within their boxes. This was the only way high quality recycling could be collected in the absence of sorting infrastructure.
- 3.2 The MRF opened in 2007 which enabled paper, card, cans and plastic bottles to be comingled and sorted at the facility. This made the service easier to use for residents and it made collections more efficient eliminating the need to sort materials at the collection point. Glass has been kept separate as broken glass can have a detrimental impact on the value and ability to recycle paper in particular. Shards of glass also have a detrimental impact on the wear and tear of the sorting equipment in the MRF.
- 3.3 Kerbside box sort collections required compartmentalised vehicles. The disadvantage of these vehicles was that if one compartment was full, the crew had to return to tip the materials and the overall capacity of the vehicles was limited. The old vehicles have now come to the end of their life and most have been replaced with 'twin pack' vehicles. The new vehicles look like normal refuse trucks, but have two compartments, one larger compartment for mixed paper, cans, card and plastic bottles which is tipped in the MRF and a smaller compartment for glass which is tipped separately. These new vehicles have standard bin lifting equipment, so currently crews empty recycling boxes in to wheelie bins, which are then emptied in to the vehicles.
- 3.4 This report recommends issuing residents with wheeled bins for co-mingled recycling (paper, card, cans and plastic bottles) while retaining a box for glass. Wheeled bins are expected to realise a number of advantages for residents including:
  - Issuing wheeled bins will result in the requirement to handle fewer containers.
  - Wheeled bins will generally provide residents with more capacity to store recycling. A 240litre bin (which is proposed standard issue, and is larger than the 140litre standard issue wheelie bin for refuse collection) will have a similar capacity to five boxes.
  - Wheeled bins are easier to handle compared to boxes which need to be lifted. They are more robust and will require less frequent replacement. They are

also less susceptible to being blown away or used for other purposes, thereby reducing replacement costs. In windy weather recycling does get blown out of recycling boxes increasing litter. This would be reduced with the use of wheelie bins.

- Wheeled bins will keep paper and cardboard dry. Saturated paper and cardboard can generally not be recycled and therefore adds to the residual waste stream, thereby lowering recycling rates and increasing residual waste levels.

3.5 The Wheeled bin trial approved at Environment, Transport & Sustainability Committee on 7 July 2015 commenced in November 2015. The Waste Data enclosed at Appendix 2 in the period:

November-October 2014-15 compared with November-May 2015-16 shows:

- An increase of an average of 4% to the recycling rate
- A reduction of 3.18% in the amount of refuse collected
- An increase in recycling weight of 12.76%

April-March 2014-15 compared to same period in 2015-2016 shows:

- An increase of an average of 8.10% of the amount of recycling collected
- A reduction of 5.58% in the amount of refuse collected

3.6 The procurement of the one-off purchase of the wheeled bins is intended to ensure that the Council is obtaining best value for money. This will be achieved by using a national framework that enables the choice of contractor for the supply of the bins to be based on a fair and transparent competitive process. The quality of the bin will be based on such criteria as its ease of use and durability. Use of a national framework in order to procure the wheelie bins is likely to reduce the length of the procurement process.

The one off cost of funding the wheeled bins, estimated at £17 per bin x 60,000 properties, together with promotion, education, awareness and delivery costs totalling an approximate £1.1 million shall be funded corporately through borrowing over a seven year period. There is a budget available for the cost of replacement and maintenance of bins which will be supplemented by a shifting in allocation for black box bins as these would no longer be required in the longer-term.

#### **4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

4.1 Collections could carry on as they are using black boxes for all materials, however this could mean that recycling rates remain static. Wheeled bins are expected to realise benefits as outlined above which is why the recommendation is to implement wheeled bin recycling throughout the city, where there is room for the storage of a wheeled bin.

#### **5. COMMUNITY ENGAGEMENT & CONSULTATION**

- 5.1 The results set out in this report have been achieved with limited community engagement and it is recommended therefore that the trial continues to the end of August 2016 to allow further research and analysis and targeted community engagement within the trial area.
- 5.2 The community engagement to include, working with residents, community groups and crews to further increase the recycling rates achieved, to reduce further the amount of missed collections, a full customer satisfaction survey and other communication and marketing strategies to help residents reduce, reuse and recycle.
- 5.3 Initial feedback from residents has been extremely positive as reflected in the sample of feedback below. In addition to this we have numerous requests from areas outside of the trial area to change from the current recycling box collections to a wheeled bin system.

### **Customer Comments:**

#### **Hangleton & Knoll**

- I'm sure you get many people complaining about things, but I would like to write about something positive! I think the new recycling bins are a fantastic idea and I hope they will become permanent. I received mine today. Not only will they keep things dry, but I hope will reduce the amount of rubbish blowing around. Well done Brighton Council!
- I would like to say how much better the new grey recycling bins are.

#### **North Portslade**

- The grey wheelie bin is a great improvement - no more losing lids; silly nets; or having to have to carry 3 boxes out to the kerb.

#### **South Portslade**

- Just to let you know that I am very happy to, at last, have a proper (grey) eco bin for most of my "green waste". I stopped using the black boxes a long time ago, because I found them awkward to lift and carry to the pavement. Then when they were emptied, I found them scattered across our front garden, the lids scattered around or along the pavement, along with light rubbish that had escaped the lorry, depending on how windy the day was. At last Brighton Council are catching up with the majority of councils in the country that have been providing eco bins for the last few years. There is a lot less light rubbish scattered following an eco-collection, and my old bones can cope so much better with wheeling the new bin to the pavement, and then back again later in the day. So Thank you so much for your efforts in getting a trial of new recycling wheelie bins. Please don't let it just be a trial. It is the cleanest collection environmentally, and also encourages elderly people who can't cope with lifting black boxes to be as green as possible. I am most grateful.



## **Feedback outside trial area**

### **Hangleton & Knoll**

- Is not in the trial area but requested a bin. This will greatly help to keep the driveway tidy and stop paper and cardboard being blown about as we usually recycle about four black boxes

### **Patcham**

- Asked to exchange her recycling boxes for a wheelie bin but is outside the trial area.

### **Stanford**

- I'd appreciate you keeping me informed about the trial. I know of at least a dozen people in my street interested in having one, as a neighbour has purchased their own and it much less mess (hard for foxes and cats to get onto) much more manageable and customer friendly.

### **South Portslade**

- Is outside the trial area but would like to request a wheelie bin. "I currently fill up over four bin/ boxes supplied each time as I am a keen recycler and have managed to reduce heavily what goes to landfill in the rubbish wheelie bin. As you can appreciate though four bin/boxes takes up a lot of space and impacts on the collectors who have to deal with four each collection date plus any extra input out. If this can be directed to the correct department and expedited and soon as is possible that would be greatly appreciated to help assist myself and improve collections".

### **Hanover & Elm Grove**

- I'm writing to ask if there are any other options for recycling collection. There is recycling all down our street (Sandown road) as our collection day was Monday and the wind blew rubbish everywhere. I know this was a particularly windy day but most weeks there is some recycling left blowing down the road. When I lived in the town centre we had large bins we could put recycling in as needed and we didn't have this problem. Or is it possible to have a bin like the ones we have for normal rubbish? I've gone out to clear the rubbish outside our house but the rest of the street still looks horrible today. I appreciate the good work the rubbish collectors do I just wanted to see if there was a way to keep the street looking nice.

## **6. CONCLUSION**

- 6.1 The initial results of the use of wheeled bins for the collection of material for recycling have indicated increased recycling rates and in significant advantages for residents and for the collection service.
- 6.2 Given the results of the trial it is recommended that the Committee approve the business case and the funding proposal for the introduction of wheeled bins for recycling across the city, where there is room for the storage of a wheeled bin.

## **7. FINANCIAL & OTHER IMPLICATIONS:**

### **Financial Implications:**

- 7.1 The report sets out the proposal for a one off purchase of wheeled bins across the city to support the initiative of increasing recycling rates.
- 7.2 The one off costs of purchase and implementation of this scheme are estimated at £1.1 million which will be financed through borrowing at an estimated cost of £0.200 million per annum over a seven year period. These financing costs will be included as a commitment within the financing costs budget in the council's budget strategy for 2017/18 onwards.
- 7.3 The ongoing replacement and maintenance costs of wheeled bins will be funded from within existing replacement and maintenance budgets in Environmental Management Services. The indications from the trial for this initiative show that there are likely to be efficiencies for staff and contract savings in relation to the Waste PFI contract. The implementation of this initiative will support the delivery of the Environmental Management staff savings identified in the 2017/18 Integrated Service & Financial Plans (also on the agenda). Once this scheme is fully implemented, any further staffing savings identified will be included in 2018/19 and future years budget strategy. Any savings in relation to contract costs due to improved recycling rates will be factored into the regular review of the Waste PFI budget and contract.

***Finance Officer Consulted: Sue Chapman***

***Date: 22/11/2016***

### **Legal Implications:**

The Council has powers to specify and to provide the types of receptacles to be used for depositing waste for collection and may also require particular locations to be used.

It is intended that the supply of the wheeled bins will be procured by way of a national framework arrangement. Any contract under the framework arrangement must be in a form approved by the Head of Law and must be reviewed by Legal Services to ensure that the framework has been procured through a legally compliant process.

***Lawyer Consulted: Elizabeth Culbert***

***Date: 14.11.16***

**Equalities Implications:**

- 7.2 Wheeled bins are generally easier to handle than recycling boxes as they do not require as much manual handling. Any resident not able to access the service will be offered an assisted collection in the same way as is provided via the residual waste service.

**Sustainability Implications:**

- 7.3 The introduction of wheelie bins is expected to result in increased recycling rates as it will make it easier for people to recycle. The roll out will be supported by effective communication and marketing to enable residents better understand the messages around reduce, re-use and recycle.

**Any Other Significant Implications:**

- 7.4 None

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

- 1. Survey results**
- 2. Waste Data**

### **Documents in Members' Rooms**

- 1. none**
- 2. none**

### **Background Documents**

- 1. none**
- 2. none**

**Crime & Disorder Implications:**

1.1 none

**Risk and Opportunity Management Implications:**

1.2 none

**Public Health Implications:**

1.3 none

**Corporate / Citywide Implications:**

1.4 none



**Report Settings Summary**

Event	<b>Wheeled Bin Recycling Trial</b>
Total Responses	<b>1,542</b>
Total Respondents	<b>1</b>
Questions	<b>All</b>
Filter	<i>(none)</i>
Pivot	<i>(none)</i>
Document Name	Wheeled bin trial
Created on	2016-09-26 08:31:01
Created by	Tracy Phipps

Q1a	1
Q1b	2
Q2a	3
Q2b	4
Q2b	5
Q3	6
Q4a	7
Q4b	8
Q5a	9
Q5b	10
Q6	11
age	12
age prefer not to say	13
gender	14
gender other	15
gender identification	16



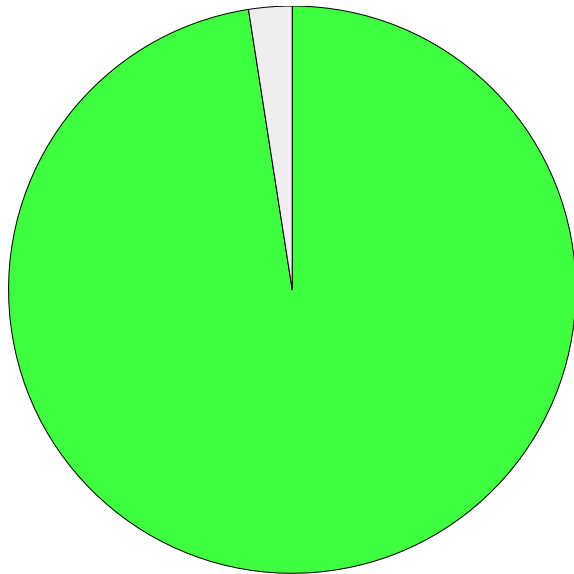
Ethnic Origin	17
Other - please state	19
sexual orientation	20
sexual orientation - other	21
religion / belief	22
religion other	24
day2day limit	25
impairment	26
Impairment - other	27
carer	28
carer for whom	29
care for other	30
armed forces	31
footer	34



Q1a

Question responses: **1504 (97.54%)**

What is your full name?



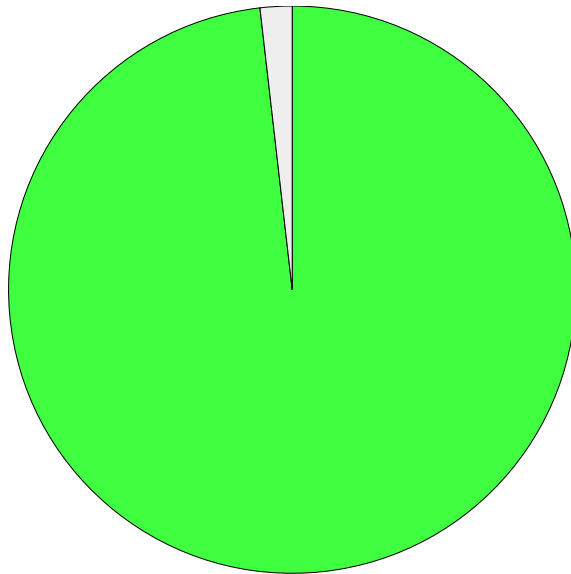
	% Total	% Answer	Count
<span style="color: green;">■</span> [Responses]	97.54%	100.00%	1,504
<span style="color: grey;">■</span> [No Response]	2.46%	--	38
Total	100.00%	100.00%	1,542

377

## Q1b

Question responses: **1514 (98.18%)**

What is your full address?

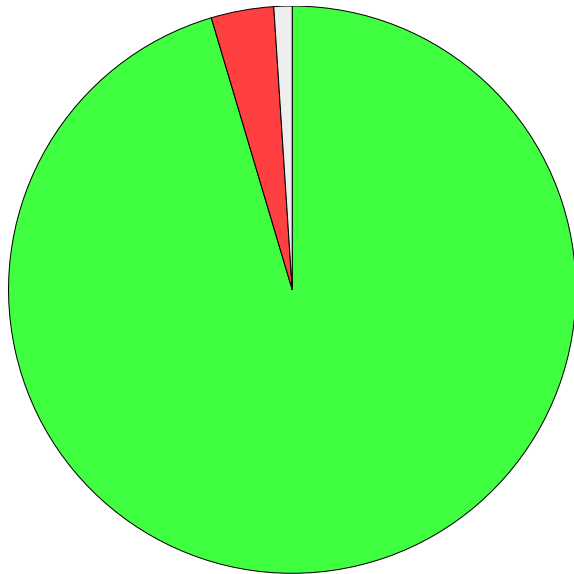


	% Total	% Answer	Count
<span style="color: green;">■</span> [Responses]	98.18%	100.00%	1,514
<span style="color: grey;">■</span> [No Response]	1.82%	--	28
Total	100.00%	100.00%	1,542

Q2a

Question responses: **1526 (98.96%)**

Do you find it easier to recycle with a wheelie bin than you did with a black box?



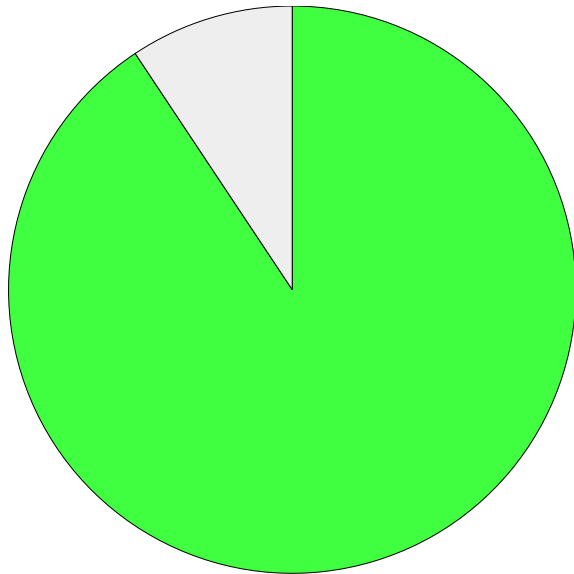
	% Total	% Answer	Count
Yes	95.40%	96.40%	1,471
No	3.57%	3.60%	55
[No Response]	1.04%	--	16
Total	100.00%	100.00%	1,542



379

Q2b

Question responses: **1398 (90.66%)**

If yes, in what way?

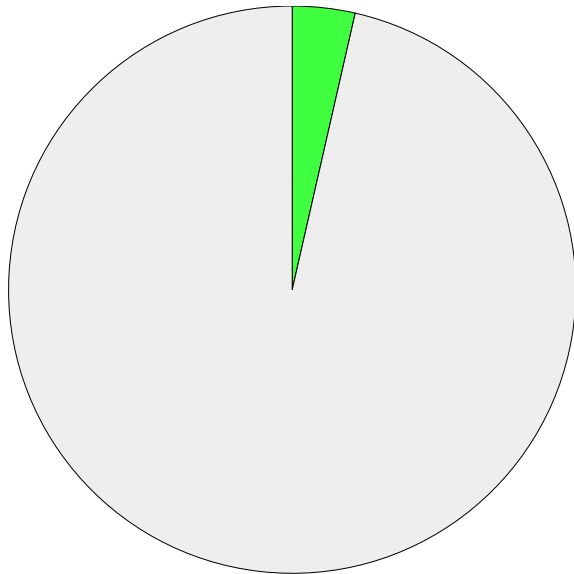


	<b>% Total</b>	<b>% Answer</b>	<b>Count</b>
 [Responses]	90.66%	100.00%	1,398
 [No Response]	9.34%	--	144
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>1,542</b>

Q2b

Question responses: **55 (3.57%)**

If no, please give further detail?



	% Total	% Answer	Count
■ [Responses]	3.57%	100.00%	55
■ [No Response]	96.43%	--	1,487
Total	100.00%	100.00%	1,542

381

## Q3

Question responses: 1519 (98.51%)

Since the introduction of the wheelie bins, do you recycle more or less than before?



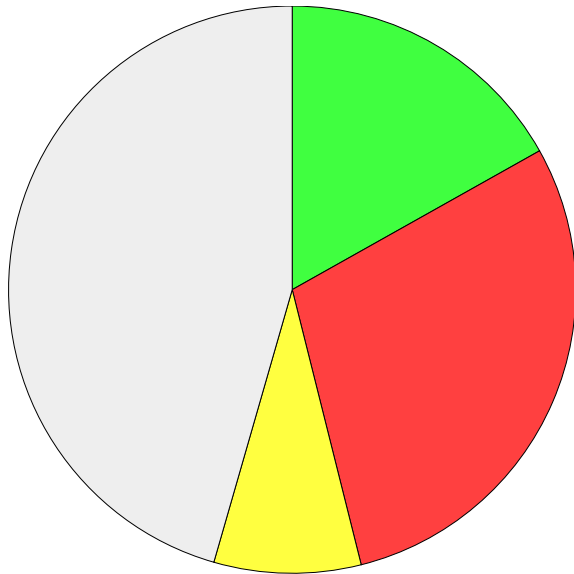
	% Total	% Answer	Count
<span style="color: green;">■</span> More	45.72%	46.41%	705
<span style="color: red;">■</span> Less	0.78%	0.79%	12
<span style="color: yellow;">■</span> The Same	52.01%	52.80%	802
<span style="color: grey;">■</span> [No Response]	1.49%	--	23
Total	100.00%	100.00%	1,542



Q4a

Question responses: **791 (51.30%)**

Are there any issues with using your wheelie bin to recycle?



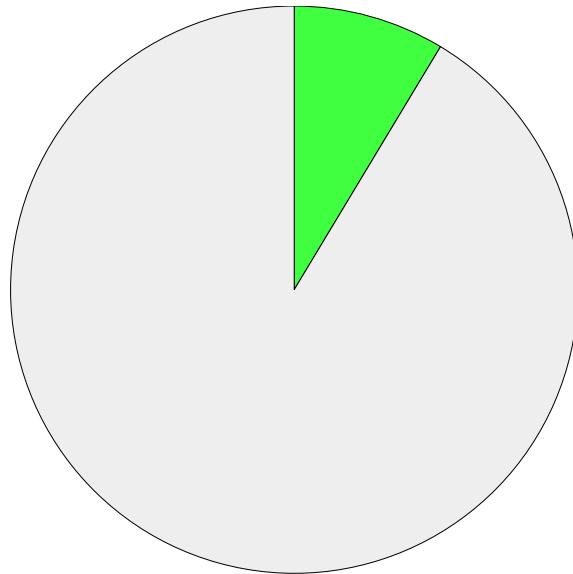
	% Total	% Answer	Frequency	Count
Container Size	16.86%	30.96%	18.03%	278
Separate Glass Containment	29.23%	53.67%	31.26%	482
Other (please specify)	8.37%	15.37%	8.95%	138
[No Response]	45.54%	--	48.70%	751
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0%</b>	<b>1,649</b>



383

Q4b

Question responses: 133 (8.63%)

Other

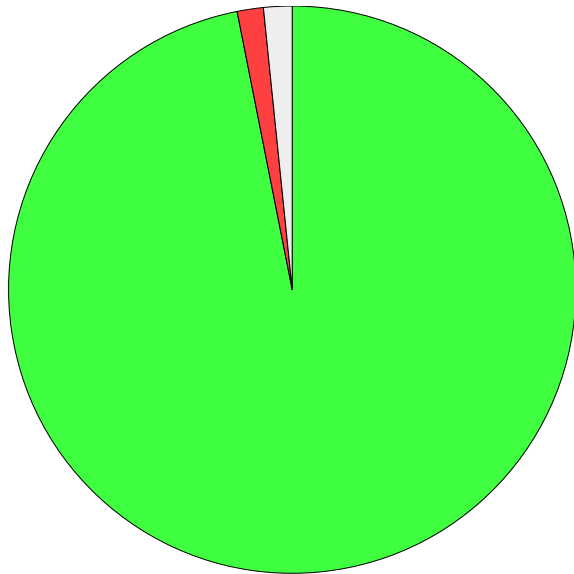


	% Total	% Answer	Count
 [Responses]	8.63%	100.00%	133
 [No Response]	91.37%	--	1,409
Total	100.00%	100.00%	1,542

Q5a

Question responses: 1517 (98.38%)

Would you like the wheelie bin recycling service to continue in your area?



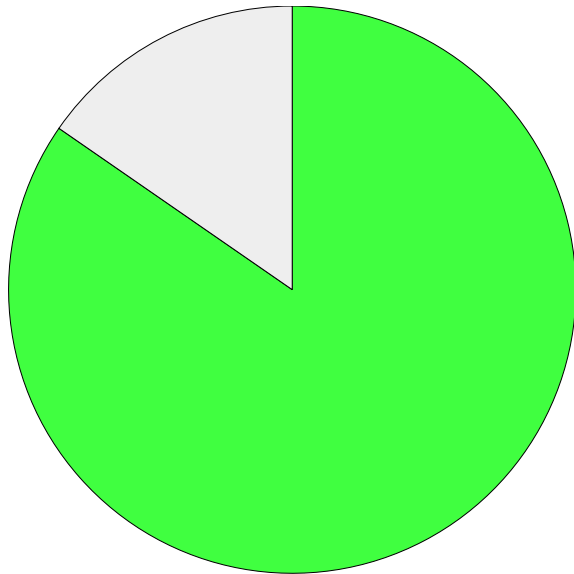
	% Total	% Answer	Count
Yes	96.89%	98.48%	1,494
No	1.49%	1.52%	23
[No Response]	1.62%	--	25
Total	100.00%	100.00%	1,542

385

Q5b

Question responses: **1305 (84.63%)**

Please tell us why?



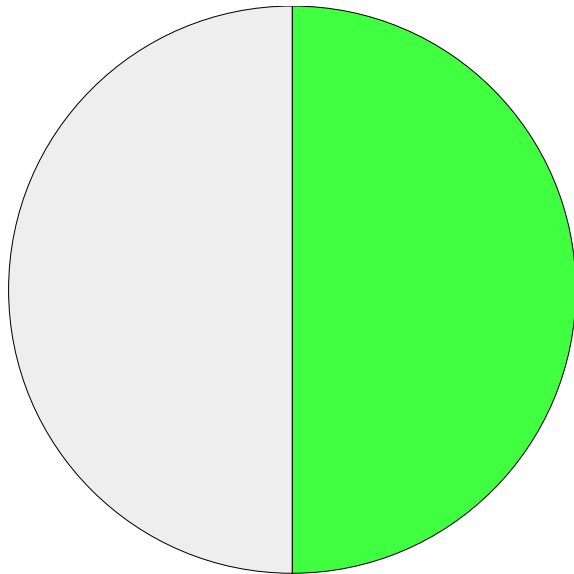
	% Total	% Answer	Count
<span style="color: green;">■</span> [Responses]	84.63%	100.00%	1,305
<span style="color: grey;">■</span> [No Response]	15.37%	--	237
Total	100.00%	100.00%	1,542

386

Q6

Question responses: **771 (50.00%)**

Please provide any additional comments or suggestions that you may have below.



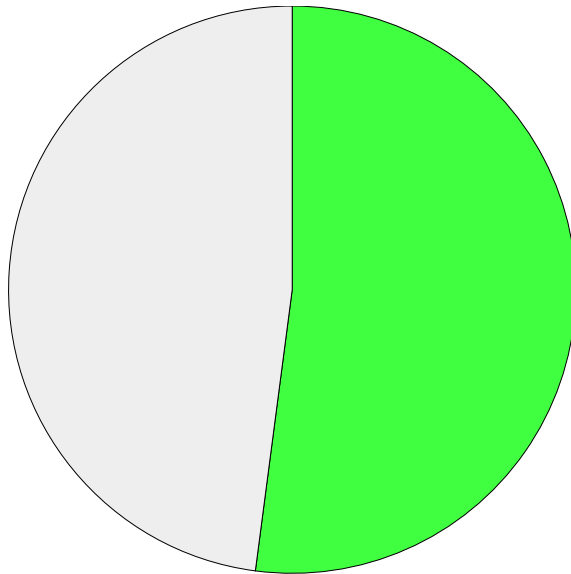
	% Total	% Answer	Count
<span style="color: red;">■</span> [Responses]	50.00%	100.00%	771
<span style="color: grey;">■</span> [No Response]	50.00%	--	771
Total	100.00%	100.00%	1,542



387

## age

Question responses: **803 (52.08%)**

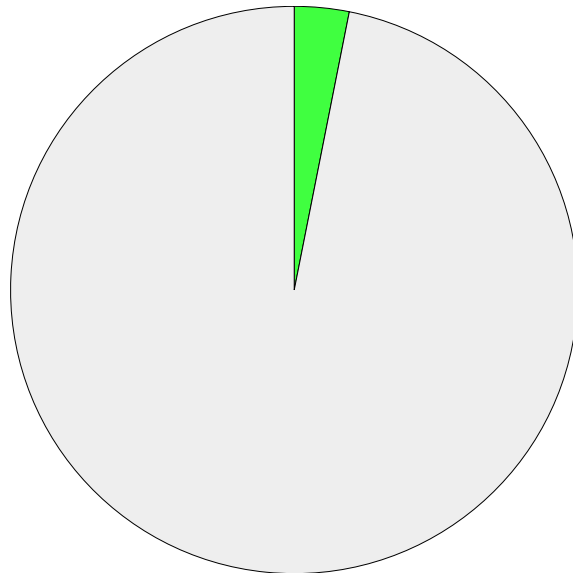
What age are you in years?



	% Total	% Answer	Count
 [Responses]	52.08%	100.00%	803
 [No Response]	47.92%	--	739
Total	100.00%	100.00%	1,542

age prefer not to say

Question responses: 48 (3.11%)

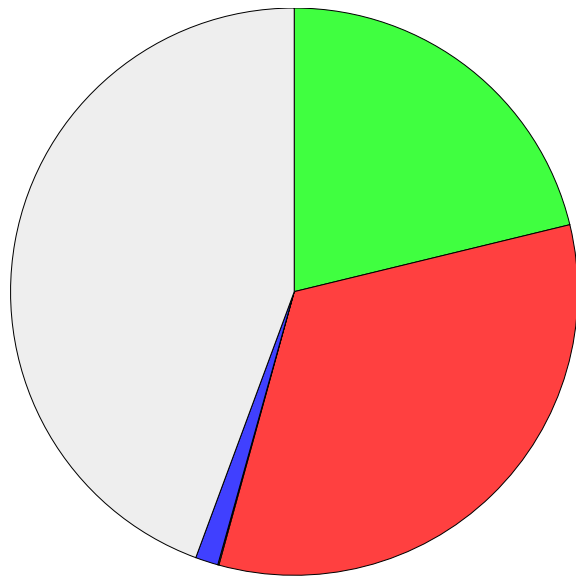


	% Total	% Answer	Count
■ Prefer not to say	3.11%	100.00%	48
■ [No Response]	96.89%	--	1,494
Total	100.00%	100.00%	1,542

## gender

Question responses: **858 (55.64%)**

What gender are you?



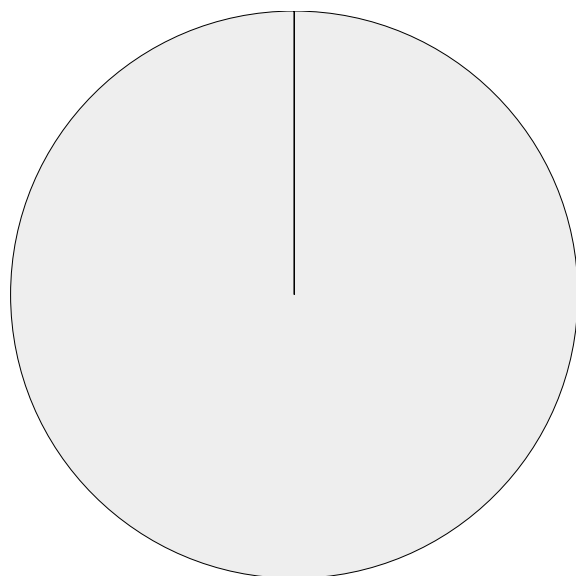
	% Total	% Answer	Count
Male	21.21%	38.11%	327
Female	33.07%	59.44%	510
Other	0.06%	0.12%	1
Prefer not to say	1.30%	2.33%	20
[No Response]	44.36%	--	684
Total	100.00%	100.00%	1,542



## gender other

Question responses: **0 (0.00%)**

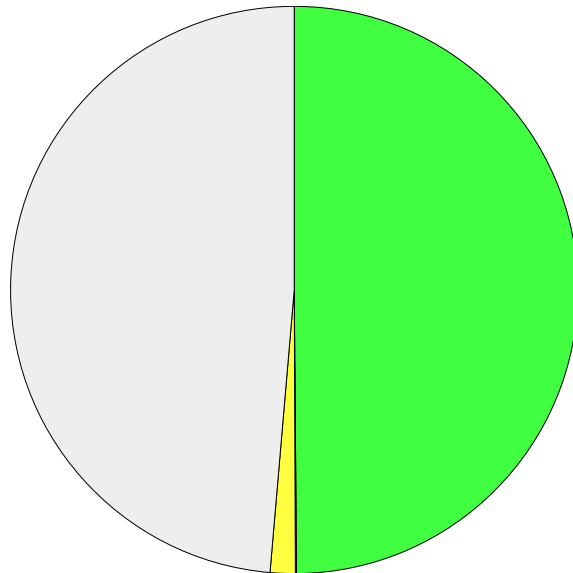
Other, please state:



	% Total	% Answer	Count
<span style="color: green;">■</span> [Responses]	0.00%	0%	0
<span style="background-color: #cccccc;">■</span> [No Response]	100.00%	--	1,542
Total	100.00%	0%	1,542

gender identification

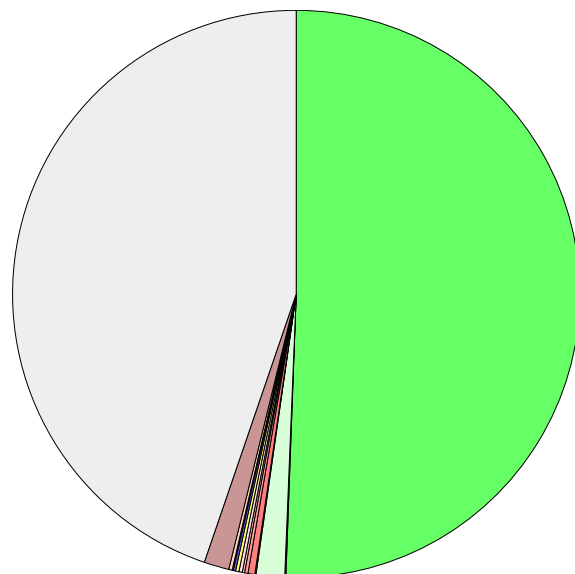
Question responses: **792 (51.36%)**



	% Total	% Answer	Count
Yes	49.87%	97.10%	769
No	0.06%	0.13%	1
Prefer not to say	1.43%	2.78%	22
[No Response]	48.64%	--	750
Total	100.00%	100.00%	1,542

392

## Ethnic Origin

Question responses: **852 (55.25%)**

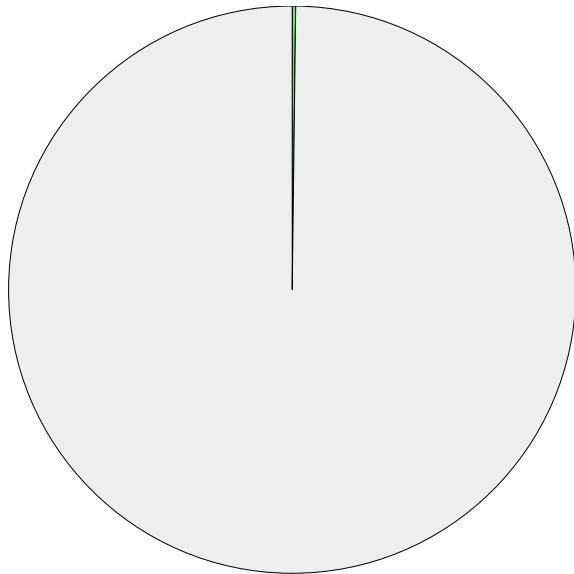
	% Total	% Answer	Count
<b>White</b>			
English / Welsh / Scottish / Northern Irish / British	50.58%	91.55%	780
Irish	0.06%	0.12%	1
Gypsy or Irish Traveller	0.00%	0.00%	0
Any other White background	1.62%	2.93%	25
<b>Asian or Asian British</b>			
Bangladeshi	0.06%	0.12%	1
Indian	0.39%	0.70%	6
Pakistani	0.19%	0.35%	3
Chinese	0.13%	0.23%	2
Any other Asian Background	0.19%	0.35%	3
<b>Black or Black British</b>			
African	0.19%	0.35%	3
Caribbean	0.00%	0.00%	0

	<b>% Total</b>	<b>% Answer</b>	<b>Count</b>
Any other Black background	0.00%	0.00%	0
<b>Mixed</b>			
Asian & White	0.13%	0.23%	2
Black African & White	0.00%	0.00%	0
Black Caribbean & White	0.00%	0.00%	0
Any other mixed background	0.06%	0.12%	1
<b>Other Ethnic Group</b>			
Arab	0.00%	0.00%	0
Any other ethnic group	0.19%	0.35%	3
<b>Prefer not to say</b>			
Prefer not to say	1.43%	2.58%	22
[No Response]	44.75%	--	690
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>1,542</b>

Other - please state

Question responses: **3 (0.19%)**

Other background (please give details)



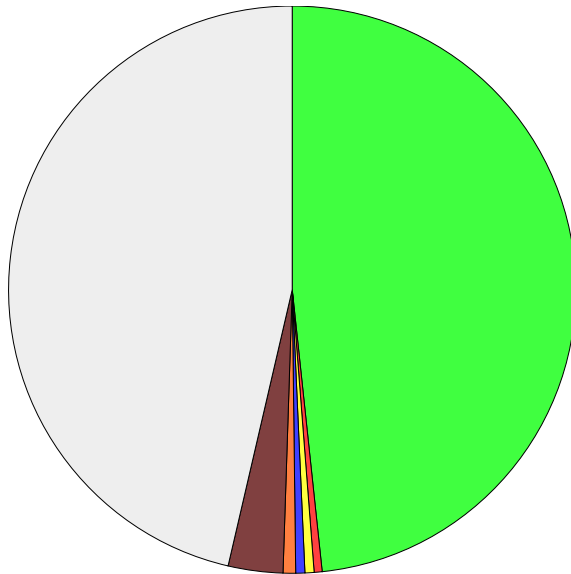
	% Total	% Answer	Count
<span style="color: green;">■</span> [Responses]	0.19%	100.00%	3
<span style="background-color: #cccccc;">■</span> [No Response]	99.81%	--	1,539
Total	100.00%	100.00%	1,542

395

**sexual orientation**

Question responses: **827 (53.63%)**

Which of the following best describes your sexual orientation?



	% Total	% Answer	Count
<span style="color: green;">■</span> Heterosexual / Straight	48.31%	90.08%	745
<span style="color: red;">■</span> Lesbian / Gay woman	0.45%	0.85%	7
<span style="color: yellow;">■</span> Gay man	0.52%	0.97%	8
<span style="color: blue;">■</span> Bisexual	0.52%	0.97%	8
<span style="color: orange;">■</span> Other	0.71%	1.33%	11
<span style="color: brown;">■</span> Prefer not to say	3.11%	5.80%	48
<span style="color: grey;">■</span> [No Response]	46.37%	--	715
Total	100.00%	100.00%	1,542

sexual orientation - other

Question responses: **9 (0.58%)**

Other - please state:

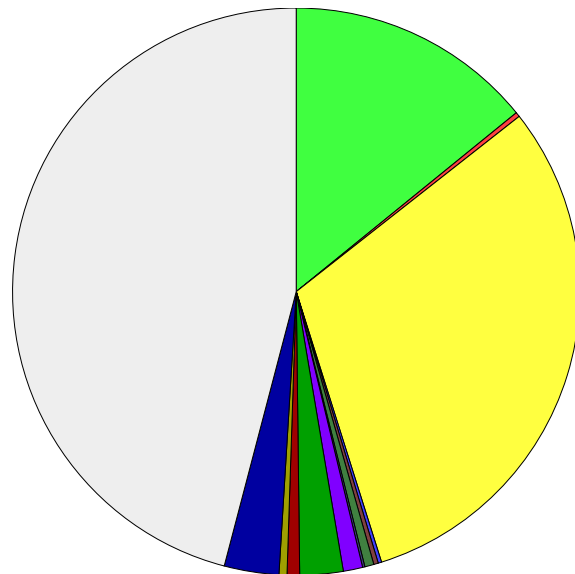


	% Total	% Answer	Count
<span style="color: green;">■</span> [Responses]	0.58%	100.00%	9
<span style="background-color: lightgray;">■</span> [No Response]	99.42%	--	1,533
Total	100.00%	100.00%	1,542

religion / belief

Question responses: **834 (54.09%)**

What is your religion or belief?



	% Total	% Answer	Count
I have no particular religion	14.14%	26.14%	218
Buddhist	0.26%	0.48%	4
Christian	30.74%	56.83%	474
Hindu	0.19%	0.36%	3
Jain	0.00%	0.00%	0
Jewish	0.26%	0.48%	4
Muslim	0.52%	0.96%	8
Pagan	0.13%	0.24%	2
Sikh	0.00%	0.00%	0
Agnostic	1.10%	2.04%	17
Atheist	2.46%	4.56%	38
Other	0.71%	1.32%	11
Other philosophical belief	0.45%	0.84%	7



	<b>% Total</b>	<b>% Answer</b>	<b>Count</b>
<input type="checkbox"/> Prefer not to say	3.11%	5.76%	48
<input type="checkbox"/> [No Response]	45.91%	--	708
Total	100.00%	100.00%	1,542

religion other

Question responses: **18 (1.17%)**

Other - please state:



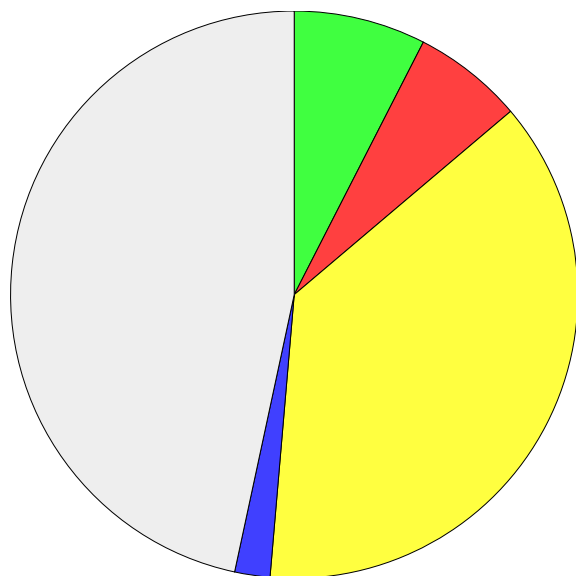
	% Total	% Answer	Count
<span style="color: green;">■</span> [Responses]	1.17%	100.00%	18
<span style="background-color: lightgray;">■</span> [No Response]	98.83%	--	1,524
Total	100.00%	100.00%	1,542

400

day2day limit

Question responses: **823 (53.37%)**

Are your day-to-day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months?

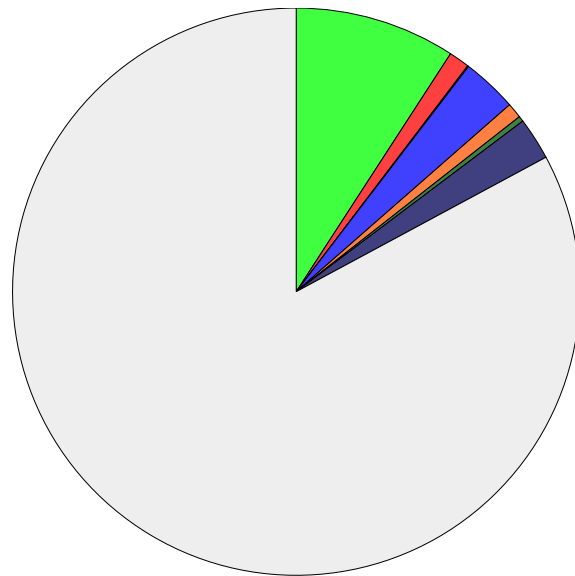


	% Total	% Answer	Count
Yes a little	7.52%	14.09%	116
Yes a lot	6.29%	11.79%	97
No	37.55%	70.35%	579
Prefer not to say	2.01%	3.77%	31
[No Response]	46.63%	--	719
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>1,542</b>

impairment

Question responses: **203 (13.16%)**

Please state the type of impairment which applies to you. If you have more than one impairment please indicate all that apply. If none of the categories apply, please mark 'other' and state.

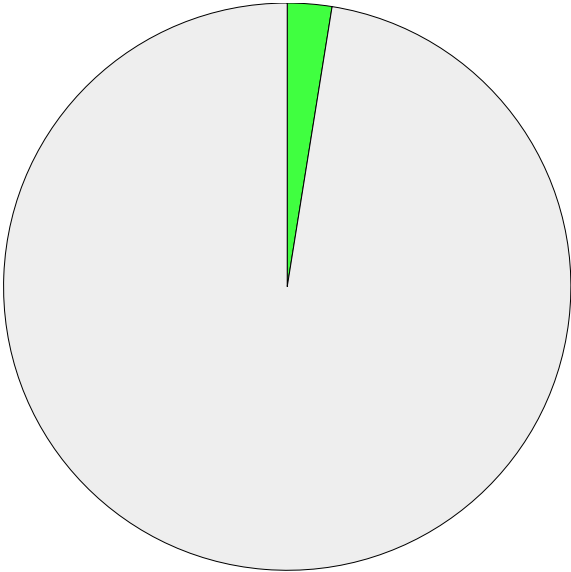


	% Total	% Answer	Frequency	Count
Physical Impairment	9.16%	53.43%	9.60%	148
Sensory Impairment	1.18%	6.86%	1.23%	19
Learning Disability / Difficulty	0.06%	0.36%	0.06%	1
Long-standing Illness	3.16%	18.41%	3.31%	51
Mental Health Condition	0.87%	5.05%	0.91%	14
Autistic Spectrum	0.00%	0.00%	0.00%	0
Developmental Condition	0.31%	1.81%	0.32%	5
Other	2.41%	14.08%	2.53%	39
[No Response]	82.86%	--	86.84%	1,339
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0%</b>	<b>1,616</b>

Impairment - other

Question responses: 39 (2.53%)

Other - please state:



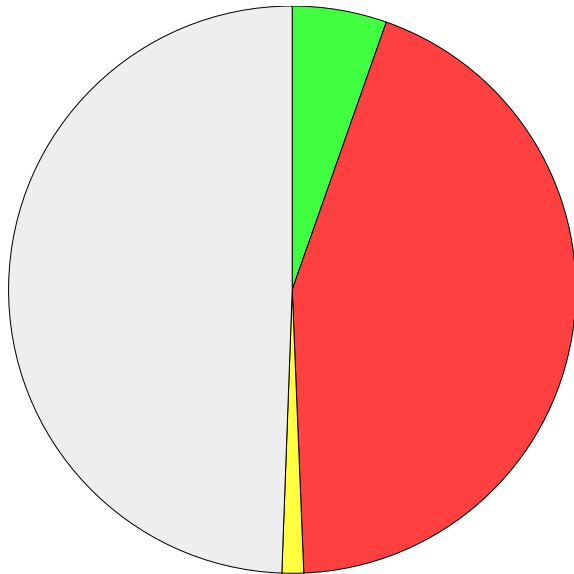
	% Total	% Answer	Count
[Responses]	2.53%	100.00%	39
[No Response]	97.47%	--	1,503
Total	100.00%	100.00%	1,542

403

carer

Question responses: **780 (50.58%)**

A carer provides unpaid support to family or friends who are ill, frail, disabled or have mental health or substance misuse problems.

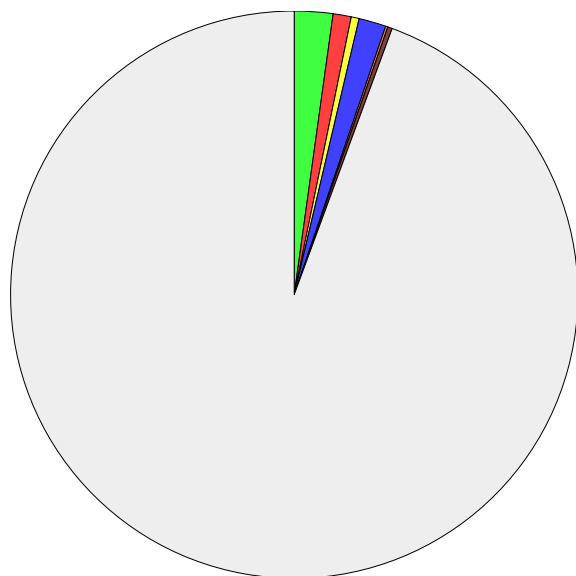


	% Total	% Answer	Count
Yes	5.38%	10.64%	83
No	43.97%	86.92%	678
Prefer not to say	1.23%	2.44%	19
[No Response]	49.42%	--	762
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>1,542</b>

carer for whom

Question responses: 79 (5.12%)

If yes, do you care for a....?

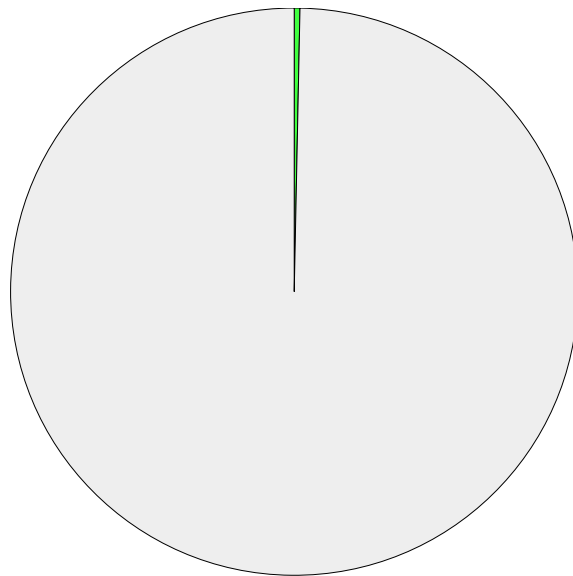


	% Total	% Answer	Frequency	Count
Parent	2.19%	39.08%	2.20%	34
Child with special needs	1.03%	18.39%	1.04%	16
Other family member	0.45%	8.05%	0.45%	7
Partner / spouse	1.55%	27.59%	1.56%	24
Friend	0.13%	2.30%	0.13%	2
Other	0.26%	4.60%	0.26%	4
[No Response]	94.39%	--	94.88%	1,463
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0%</b>	<b>1,550</b>

care for other

Question responses: **5 (0.32%)**

Other - please give details:



	% Total	% Answer	Count
<span style="color: green;">■</span> [Responses]	0.32%	100.00%	5
<span style="background-color: lightgray;">■</span> [No Response]	99.68%	--	1,537
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>1,542</b>

406

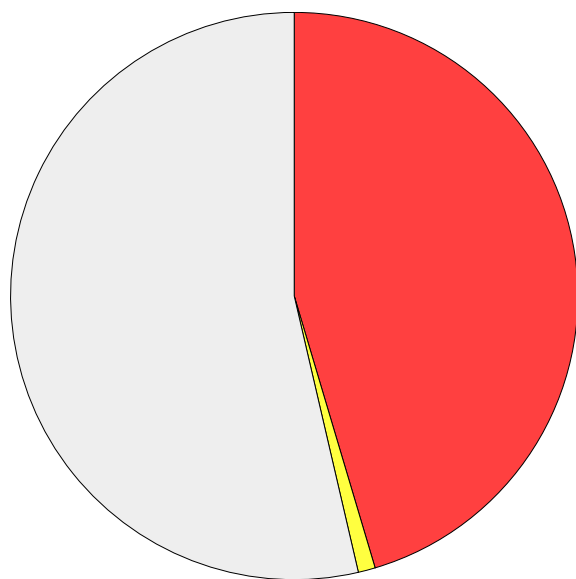


armed forces

Question responses: **768 (49.81%)**

Are you currently serving in the UK Armed Forces? (this includes reservists or part-time service, eg: Territorial Army)

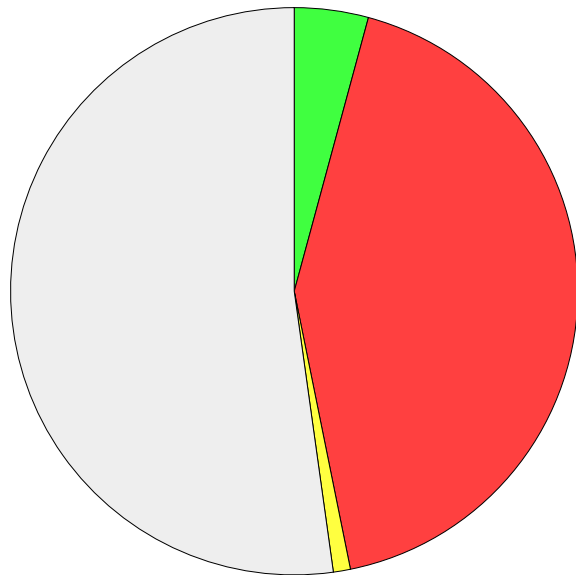
Question responses: **715 (46.37%)**



	% Total	% Answer	Count
<span style="color: green;">■</span> Yes	0.00%	0.00%	0
<span style="color: red;">■</span> No	45.40%	97.90%	700
<span style="color: yellow;">■</span> Prefer not to say	0.97%	2.10%	15
<span style="color: grey;">■</span> [No Response]	53.63%	--	827
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>1,542</b>

Have you ever served in the UK Armed Forces?

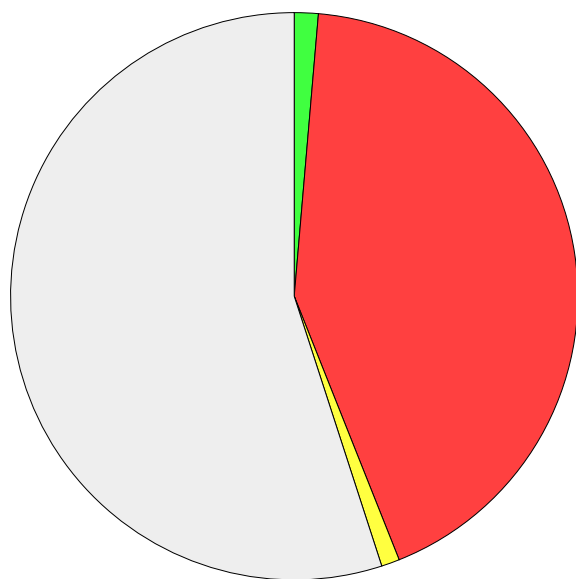
Question responses: **737 (47.80%)**



	% Total	% Answer	Count
<span style="color: green;">■</span> Yes	4.22%	8.82%	65
<span style="color: red;">■</span> No	42.61%	89.15%	657
<span style="color: yellow;">■</span> Prefer not to say	0.97%	2.04%	15
<span style="color: grey;">■</span> [No Response]	52.20%	--	805
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>1,542</b>

Are you a member of a current or former serviceman or woman's immediate family / household?

Question responses: **694 (45.01%)**



	% Total	% Answer	Count
Yes	1.36%	3.03%	21
No	42.61%	94.67%	657
Prefer not to say	1.04%	2.31%	16
[No Response]	54.99%	--	848
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>1,542</b>

**There is no data to display for this question**

Waste Data - Wheelie bin trial area

	2014 - 2015 Pre-trial												
Wheelie Bin Area	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Totals
Recycling Tonnes Collected	70.42	51.05	72.7	64.32	57.76	72.9	45.3	53.8	51.74	58.8	62.36	57.08	718.23
Refuse Tonnes Collected	196.22	217.56	200.66	213.82	245.68	247.88	186.3	244.22	259.76	209.64	214.74	203.96	2640.44
Recycling as % of Total Collected in Wheelie Bin Area	26%	19%	27%	23%	19%	23%	20%	18%	17%	22%	23%	22%	21%

	Nov 15 - May 16 Post trial							
Wheelie Bin Area	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Totals
Recycling Tonnes Collected	62.8	65.38	80.98	68.58	80.62	68.88	62.66	489.9
Refuse Tonnes Collected	206.2	225.3	209.52	178	200.34	210.7	258.56	1488.62
Recycling as % of Total Collected in Wheelie Bin Area	23%	22%	28%	28%	29%	25%	20%	25%

Wheelie Bin Area	2014/15	2015/16	+/-
Refuse	2739	2586	-5.58%
Recycling	703	760	8.10%
Total	3442	3346	-2.79%
Recycling as % of Total Collected in Wheelie Bin Area	20.42%	22.71%	



<b>Subject:</b>	<b>Residential Child Care, Foster Care and SEN Education Placements</b>		
<b>Date of Meeting:</b>	<b>8 December 2016</b>		
<b>Report of:</b>	<b>Executive Director for Families, Children &amp; Learning</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Helen Gulvin</b>	<b>Tel: 29-2804</b>
		<b>Anna Czepil</b>	<b>29-6736</b>
	<b>Email:</b>	<a href="mailto:helen.gulvin@brighton-hove.gcsx.gov.uk">helen.gulvin@brighton-hove.gcsx.gov.uk</a>	
		<a href="mailto:anna.czepil@brighton-hove.gcsx.gov.uk">anna.czepil@brighton-hove.gcsx.gov.uk</a>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 This report seeks approval for the procurement of a Dynamic Purchasing System, framework agreement or individual contracts and the award of individual placement agreements for placements in independent residential children's homes, independent foster care and independent non-maintained special schools.
- 1.2 The report is a follow up to the report to the Procurement Advisory Board of 23 May 2016 and the Policy, Resources & Growth Committee of 14 July 2016. The reason for bringing the report back to committee is that two local authorities have withdrawn from the partnership and if any further local authorities do then we may need to work with a different configuration of local authorities to get best value in our future procurement of placements. In addition, the final business case has changed substantially from the last draft presented to committee.

**2. RECOMMENDATIONS:**

That Policy, Resources & Growth Committee:

- 2.1 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).
- 2.2 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.

- 2.3 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.

### 3. CONTEXT/ BACKGROUND INFORMATION

#### Summary of the current service provision

- 3.1 Legislation requires local authorities to secure sufficient accommodation for Looked After Children (LAC), that meets their needs, and is within the local area wherever this is reasonably practicable. The council acts as the corporate parent and safeguarding and has strong controls to manage the welfare of vulnerable children. The current number of placements in the independent sector and those directly controlled by the council are shown below:

Figures as at May 2016

Independent Sector Placements		Council Placements	
Independent Fostering Agencies	154	In-house Foster Care	154
Residential Children's Homes (Social Care)	33		
Joint Residential Children's Homes and SEN Education	11		
SEN Education in INMSS (including Post 19)	90	SEN Education in Council Maintained Special Schools	429

The above table excludes children with statements or Education, Health and Care Plans (EHCP) in mainstream schools. It also excludes children in special schools where the parents pay the costs in full.

- 3.2 The council's budgets for 2016-17 for external placements are:
- a) Independent Foster Agency £5.178m
  - b) Children's Homes £5.763m
  - c) Education Agency £4.240m

#### Current procurement arrangements

- 3.3 The Council has a joint framework agreement with WSCC for the provision of independent residential child care and foster care placements which was due to run until 31 October 2016 with an optional extension of up to 2 years. WSCC have reported that they are in the process of issuing an extension of up to a year. Joint arrangements with WSCC have been running since 2008 and have contributed to the management of costs in these service areas.



- 3.4 The Council's SEN team spot purchases SEN Educational placements using national contracts. The number of placements is proportionately much lower than our partner authorities. External SEN education placements are usually the result of parental choice and tribunal decisions although a few are due to the specialist nature of the provision that cannot be met within Brighton & Hove.

#### Department for Education (DfE) Innovation Programme

- 3.5 WSCC received project funding from the DfE Innovation Programme. The aim of the project is to establish whether procurement of placements can be jointly commissioned across a region and if a model to do this could be used by other regions across the country. The project also includes developing a new Outcomes Framework and reviewing the national contracts.
- 3.6 The Outcomes Framework was developed by the New Economic Foundation and drafted through co-production with local authorities, providers, parent/carer representatives and children in care council representatives. This document has now been issued and is attached at Appendix 1. It is being incorporated into the proposed new contracts which are currently in draft form.
- 3.7 The local authority partners within the region that worked on Phase 1 of this project up to March 2016 were West Sussex County Council, East Sussex County Council, Kent County Council, Surrey County Council, Brighton & Hove City Council and the South London SEN Consortium (10 London Boroughs led by LB Croydon). The South London SEN Consortium had a separate DfE funding bid that required the establishment of a DPS by April 2016 so they are not currently part of Phase 2 of the project. However Essex County Council and Medway Council have joined the project as new members. The group is collectively known as South East Together (SET).
- 3.8 Phase 2 of the project has focussed on developing a full business case to consider joint commissioning of placements. The final version of the business case is attached at Appendix 2.

#### Tender process for new Dynamic Purchasing System (DPS), framework agreement or individual contracts

- 3.9 In order to comply with the Public Contracts Regulations 2015 and the council's internal Contract Standing Orders, a formal tendering process must take place to procure the new Dynamic Purchasing System, framework agreement or individual contracts.
- 3.10 Using a DPS or framework agreement has a number of benefits as the council has the ability to 'call-off' contracts at short notice without the need to undertake a time-consuming comprehensive contract award process, which therefore reduces administrative effort and costs. It also allows the council the flexibility to determine specific requirements at the 'call off' stage. A DPS differs from a framework agreement in that it remains open for the duration of the agreement and allows new providers to join if they meet the required quality standards.
- 3.11 In order to meet the deadline for contract commencement on the cessation of the current framework agreement, a procurement timetable will be drawn up. A

comprehensive specification will be drafted to accompany the Invitation to Tender (ITT). A different procurement route may be taken for each of the three categories depending on the assessment of outcomes for service users and value for money for each option.

- 3.12 SET partners are currently reviewing the business case and going through their governance procedures to determine whether or not to jointly tender. It is not anticipated that all of the partners will jointly tender. Therefore smaller partnership opportunities may develop at short notice and delegated authority will be required to consider these in the timeframes.

#### eSourcing

- 3.13 The SET business case proposal is for WSCC to be the lead contracting authority responsible for setting up the DPS. Each SET partner will be responsible for calling-off against the DPS and entering into Individual Placement Agreements.
- 3.14 There are a number of options for managing the micro-commissioning process of call-offs. The council has a licence for software from the supplier 'adam' that can be used for this process, or alternatively it could use another system if this offers better value for money. 'adam' is software currently in operation in the council's Learning Disability Service for Adult Services to manage placements.

### **4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 4.1 An alternative to a regional DPS would be for the council to procure some or all of these services on its own or to partner with other regional authorities, some of whom may opt not to tender under SET for financial and/or strategic reasons. Tendering solely reduces the potential for sharing costs and exercising leverage and influence in the provider market. This alternative would only offer value for money if the cost of accessing a partnership DPS or framework agreement, offset by anticipated savings, were greater than the cost of running and the ongoing management of a separate procurement.
- 4.2 Joining a local authority partnership outside of the south east region would not likely achieve the same level of benefits as the contract management and quality assurance function would not operate as efficiently.
- 4.3 Managing demand for LAC placements has the greatest impact on value for money but this needs to be managed safely through care planning. Early Help interventions and planned step down arrangements contribute to these plans.
- 4.4 Increasing the proportion of in-house foster care placements will lead to better value for money and strategies are in place to increase the number of directly engaged foster carers.

## **5. COMMUNITY ENGAGEMENT & CONSULTATION**

- 5.1 The Outcomes Framework was developed through co-production as outlined in 3.6 above.
- 5.2 Parents will continue to be able to express choice in the selection of SEN education placements for their child/children.

## **6. CONCLUSION**

- 6.1 It is necessary to re-tender these services as the framework agreement with WSCC for residential children's homes and foster care placements will be due to expire in October 2017 if part of the optional extension period is activated and there is no current compliant process for purchasing SEN education placements. In order to benefit from collaborative working with regional partners and to build in sufficient time to carry out a fair and transparent procurement process, the process must commence as soon as possible.

## **7. FINANCIAL & OTHER IMPLICATIONS:**

### Financial Implications:

- 7.1 The award of a DPS or framework itself has no financial value; however the total current value of the contracts that would be called off under a DPS or framework is approximately £15.181 million per year.
- 7.2 There are a number of options being considered. The cost of developing a new DPS is not yet fully known. The costs of ongoing contract management would be subject to negotiations with any partners or sufficient resources identified to be able to maintain a robust procurement system in-house. All options will need to be fully costed to ensure affordability within current available budgets and value for money for the local authority.
- 7.3 It is important throughout the procurement process that the council achieves value for money as well as having secure arrangements in place for those children requiring placements. A sound, robust purchasing and contract management system would enable the council to pro-actively manage the market and ensure best value for money is achieved.

*Finance Officer Consulted: David Ellis*

*Date: 23/11/16*

### Legal Implications:

- 7.4 As described in the body of this report the council has a statutory duty to provide accommodation for Looked After Children. It also has a duty to meet the needs of pupils with Special Educational Needs where those needs require a residential placement.
- 7.5 The Policy, Resources & Growth Committee is the appropriate decision-making body in respect of the recommendations at paragraph 2 above, given that the

value of the contracts which may be entered into are likely to have corporate financial implications.

- 7.6 The aim of the DPS, framework agreement or individual contracts is to enable the council to provide sufficient and appropriate placements in independent residential children's homes, independent foster care and independent non-maintained special schools (INMSS) to discharge its legal obligations. The procurement and award of a DPS, framework agreement or individual contracts must be conducted in accordance with the Council's Contract Standing Orders and The Public Contracts Regulations 2015.

*Lawyer Consulted: Isabella Sidoli*

*Date: 15/11/16*

Equalities Implications:

- 7.7 The council has a responsibility to promote access to appropriate educational provision for all in accordance with legislation including the Equality Act 2010.
- 7.8 It is not necessary to carry out an equalities impact assessment on this occasion as there are no council policy changes associated with this procurement.

Sustainability Implications:

- 7.9 The Public Services (Social Value) Act 2012 requires that public bodies tendering for services above the threshold to consider how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area.
- 7.10 Placements for Looked After Children will be made as closely to networks of family and friends and the child's current school, where this is safe to do so and in the child's best interests.

Any Other Significant Implications:

- 7.11 Local authorities typically first attempt to make foster care placements in-house, provided the needs of the child can be met, prior to seeking a placement with an independent provider. A Judicial Review brought by the Nationwide Association of Fostering Providers in December 2015 sought to argue that the defendant local authorities had failed to comply with the duty set out in Section 22C(5) in the Children's Act to place the child in the most appropriate placement available (i.e. they were not considering independent foster care placements at the same time as in-house foster care placements). The judge found that the duty did not involve any requirement to make a particular kind of search of any one of the placements identified in section 22C(6) of the Act and that local authorities are not required to contact all providers of potentially appropriate placements at the same time for every Looked After Child.
- 7.12 The representative bodies Independent Children's Homes Association (ICHA), Nationwide Association of Fostering Providers (NAFP) and National Association of Independent Schools and Non-Maintained Special Schools (NASS), along with their members, were offered the opportunity to participate in the development of the Outcomes Framework. They will also be consulted on the new draft

contracts. ICHA does not currently support the work of South East Together however the relationship with the other professional bodies remains good and constructive.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Outcomes Framework
2. Business Case

### **Documents in Members' Rooms**

None

### **Background Documents**

1. Department for Education (DfE) 'Financial stability, cost charge and value for money in the children's residential care market' Research report June 2015
2. Institute of Public Care(IPC)/Oxford Brookes University 'The efficacy and sustainability of consortia commissioning of looked after children's services' Research report July 2015

Crime & Disorder Implications:

- 1.1 The Outcomes Framework has a number of measures under basic needs (safety and health), functioning (control, relationships and achievement), personal resources (resilience, self-esteem and emotional intelligence) and preparation for adulthood (participation, independence, inclusion and wellbeing) that contribute to the prevention of crime and disorder.

Risk and Opportunity Management Implications:

- 1.2 There has been a consolidation of providers in the residential child care provision market with private equity playing an increasingly significant role. Alternative market management strategies may need to be considered if the market consolidates further, develops oligopolistic behaviours and the few remaining suppliers greatly influence price.

Public Health Implications:

- 1.3 Improving health and wellbeing are two of the key objectives within the Outcomes Framework.

Corporate / Citywide Implications:

- 1.4 The effective commissioning of placements will contribute to the council's priorities on the economy, jobs & homes, children & young people, health & wellbeing and community safety & resilience through the Outcomes Framework.







# South East Together

## Common outcomes framework and measurement approach

**Written by:** Sarah Lyall and Amina Ali

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## Introduction

In 2015 West Sussex County Council (WSSCC) successfully secured funding through a bid to the Department for Education (DfE)'s Social Care Innovation Programme. This funding enabled a number of distinct activities to be commissioned to support a project focusing on the potential benefits of a regional Dynamic Purchasing System (DPS) in the South East. Led by WSSCC during the development phase, a group of 15 local authorities collectively known as South East Together (SET)<sup>1</sup> will adopt an outcomes-based commissioning model when commissioning placements for children with special educational needs and disabilities in independent and non-maintained special schools, and looked after children in independently-owned children's homes and fostercare placements. SET worked with the New Economics Foundation (NEF) to develop the common outcomes framework and measurement approach.

### Outcomes-based commissioning

Outcomes-based commissioning focuses on the long term changes that services and activities achieve. It differs from conventional commissioning which has tended to focus on outputs rather than outcomes. The benefits of outcomes-based commissioning include: shifting the focus of public resources from particular activities and outputs towards the outcomes that matter most for children and their families; and creating more scope for providers to innovate to achieve outcomes by reducing the level of prescription in service specifications.

### This document

This common outcomes framework and measurement approach is the product of extensive discussions and engagement with: independent providers from fostercare, residential and special schools; parents of children attending non-maintained and independent special schools; young people from the West Sussex Children in Care Council; commissioners from the 15 local authorities in SET; and the SET project team. These discussions were organised according to the principles of co-production, where professionals and citizens share power to achieve a common goal. They included discussion of several existing outcomes frameworks for children and young people, and consideration of the evidence relating to concepts such as wellbeing, social and emotional capabilities, and resilience. The resulting framework is a dynamic document which can be iteratively improved through application and use.

## Common outcomes framework

### Using the outcomes framework

An outcome is the meaningful and valued change that occurs as a result of a particular activity or set of activities.<sup>2</sup> Local authorities have an important role to play in supporting positive change for the children and young people in their local area, and SET want to work with providers and other public services in the South East to achieve the outcomes in the framework. All partners recognise that they cannot achieve outcomes by themselves and that ultimately it is children and young people who achieve the outcomes, with professionals supporting them to do so.

The outcomes framework can be used in several ways. Contract service specifications will have the outcomes framework at their core and this will be used to set the vision for the services and explain the best use of public funds. The outcomes may be used as a reference point for care planning, for example in developing Education Health and Care Plans (EHCPs) with parents, children and young people. Providers and commissioners will use the outcomes framework and measurement approach to monitor the quality of services, and as a tool for reflection, evaluation and continuous improvement.

In asking providers to use the outcomes framework, commissioners are asking providers to demonstrate how they contribute to the progress of children and young people on the outcomes in order to achieve value for money.<sup>3</sup> Commissioners accept that there may be good reasons why certain children have not progressed as expected and that an overall improvement in outcomes in the long term may involve short term lapses in progress. Commissioners will ask providers to explain this as part of dialogue between providers and commissioners during each stage of the commissioning and ongoing monitoring process. It is worth clarifying that providers cannot be held accountable for the achievement of community level outcomes, though they may be asked to explain how their activities contribute towards this high level vision for the region. Commissioners recognise that providers also have a decreasing level of influence over the preparation for adulthood outcomes once a child or young person has left their service, but can nonetheless be asked to track progress towards these outcomes.

Other local authorities may want to apply the outcomes framework to their own local context. This is a good use of the document, but only if the outcomes are discussed with, sense-checked and changed by local parents, young people, providers and commissioners, applying the principles of co-design and co-production.<sup>4</sup>

### Section A: Components of the outcomes framework

The outcomes framework is made up of five components:

1. **In green:** basic needs. These two outcomes are usually required before the other outcomes can be progressed. Health and safety are the bottom two steps in

Maslow's hierarchy of needs<sup>5</sup> and are also recognised as fundamental human needs in the wider academic discussion of 'need theory'.<sup>6</sup>

2. **In pink:** personal resources. These three outcomes are important features of a person's internal life, which may be described as their character, personality or outlook.<sup>7</sup> They are internal resources which a person is able to bring to bear on situations that arise in life.
3. **In orange:** functioning. These three outcomes focus on functioning, which is how an individual interacts with the external world. When someone is functioning well, they are able to satisfy their psychological needs (for control over their own life, relationships with others, and achieving competence in their abilities) and experience good overall feelings about life.<sup>8</sup>
4. **In red:** preparation for adulthood. These outcomes are guided by the four outcomes from *Preparing for Adulthood*, which collates the learning from a range of transition programmes that helped young people – particularly those with special educational needs or disabilities – to transition into adulthood and lead fulfilling lives.<sup>9</sup> The outcomes cover children and young people making progress towards their next stage of education or employment, independent living, participating in society, and being as healthy as possible.<sup>10</sup> Extensive research demonstrates strong links between good functioning<sup>11</sup> and personal resources such as emotional intelligence,<sup>12</sup> and long term outcomes such as being in employment, education and training.<sup>13</sup> It is therefore reasonable to expect that children and young people who are progressing in the green, pink and orange outcomes will also be making progress on preparation for adulthood outcomes.
5. **In blue:** community outcomes. These three outcomes are for the wider community in the region represented by SET. They were selected on the basis of analysis of the area plans and whole-place strategies from the 15 local authorities in SET. They are included in the framework to show that when children and young people achieve their outcomes, this also improves the outcomes of society, economy and environment more broadly, and that these community outcomes in turn reinforce the work that providers do in supporting children and young people's to achieve outcomes.

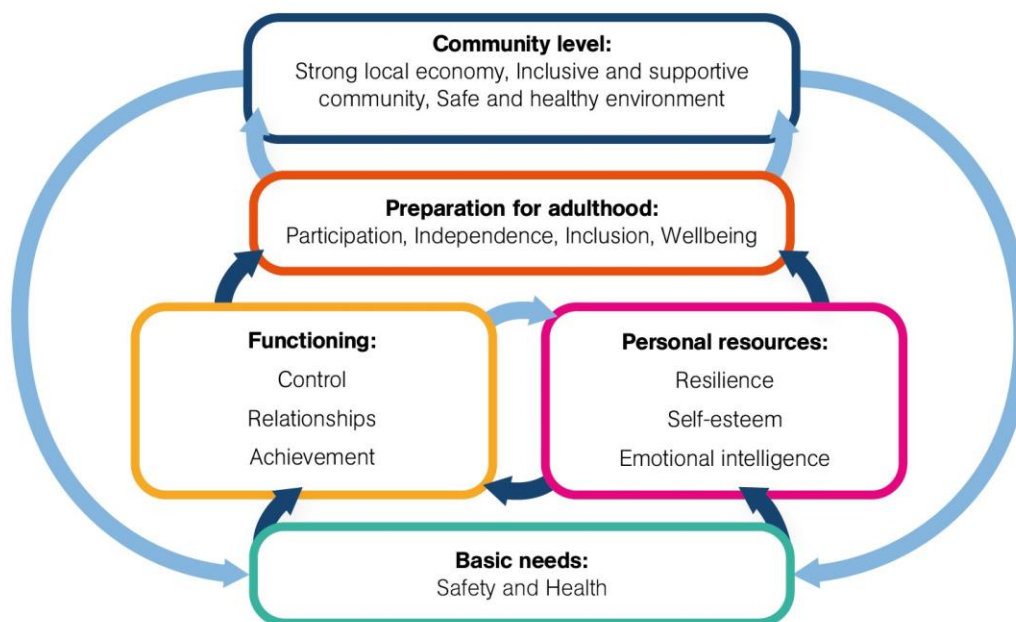


Figure 1: SET common outcomes framework, developed with the New Economics Foundation.

### Links to wellbeing

The Dynamic Model of Wellbeing is a conceptual model developed by NEF in response to the debate on measuring human wellbeing. It captures the evidence base on the different elements that contribute to wellbeing – both in terms of functioning well and feeling satisfied with life.

The model describes how an individual's *external conditions* such as housing and social context, act together with their *personal resources* such as their resilience and self-esteem, to allow them to *function well* in their interactions with the world and therefore experience *positive emotions*. Measuring wellbeing effectively often involves collecting data across all these elements.

The diagram below is colour-coded to demonstrate the overlap between the constituent parts of wellbeing and the outcomes in the SET common outcomes framework. It shows how if providers and commissioners can support children and young people to be safe and healthy, to grow their personal resources and function well, they will go a long way towards supporting the overall wellbeing of children and young people. As a dynamic model, it highlights the relationships between constituent parts of wellbeing. It shows how having positive emotions is dependent on functioning well and also highlights how children and young people who are functioning well in terms of feeling in control and having strong relationships, are better able to shape their external conditions including their health, safety and future prospects.

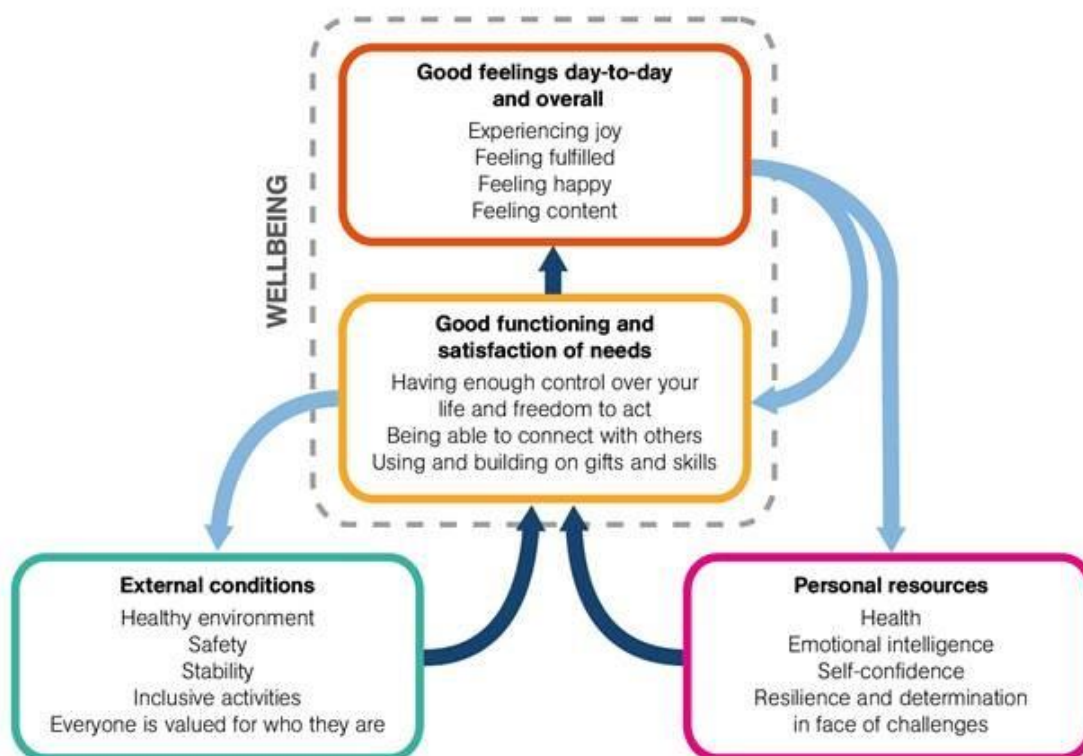


Figure 2: Dynamic model of wellbeing from Marks, N. and Thompson, S. (2008). *Measuring Well-being in Policy: Issues and applications*, London: NEF. Adapted for the SET common outcomes framework.

## Section B: Definitions of outcomes

### Basic needs

**Safety:** *Children and young people are safe and protected, and moreover feel safe.* Children and young people are not only objectively safe (the risk of significant harm has been removed or considerably reduced) but also feel secure and protected within trusted relationships where adults are acting in children’s best interests and listening to them. Being safe is a positive state of being, not just the absence of harm and neglect. Therefore, children and young people also need to be helped to develop the knowledge and skills that will enable them to adopt safe practices in situations at home, at school or in the community.<sup>14</sup>

**Health:** *Children and young people experience the highest attainable standards of physical and mental health.*

Physical health is experienced when the body functions as it is meant to, and children and young people are free of sickness, disease, injuries, infirmities and injuries. It is also about having the internal defences, developed through good nutrition, exercise, hygiene and appropriate health care (e.g. immunisations), that are necessary to combat germs, bacteria and viruses and to enhance the healing process when sick or injured. In order to achieve this outcome, children and young

people need to have access to suitable healthcare, and support in learning to make healthy and safe choices.

Mental health is “a state of well-being in which the individual realises his or her own abilities, can cope with the normal stresses of life, can work productively and fruitfully, and is able to make a contribution to his or her community.”<sup>15</sup> Mental illness includes common mental disorders such as anxiety and depression, which affects nearly 1 in 4 of the population, and severe mental illness such as psychosis, which is less common, affecting 0.5–1% of the population.<sup>16</sup> Achieving good mental health for children and young people therefore incorporates ensuring appropriate treatment for psychological distress and psychiatric disorder, as well as support to address broader wellbeing issues relating to anxiety and sense of identity.

### *Personal resources*

**Resilience:** *Children and young people have the ability to deal with life’s difficulties.* When things go wrong in life, resilience is the personal resource which enables people to get back normal. It involves being able to process and cope with failure and disappointment, and feel a sense of optimism about the future.<sup>17</sup>

**Self-esteem:** *Children and young people feel good about themselves.* Self-esteem is an internal sense of competence and worth.<sup>18</sup> It involves both self-confidence (having confidence in one’s abilities) and self-worth (knowing you are intrinsically valuable as a person). When self-esteem is experienced, children and young people will place value on their opinions and ideas and will be generally positive about their personality and abilities.<sup>19</sup> Self-esteem can be especially difficult for children and young people to maintain during transitions and may experience a dip before returning to normal levels<sup>20</sup> – requiring dialogue between commissioners and providers.

**Emotional intelligence:** *Children and young people understand their own emotions and the emotions of others.*

Emotional intelligence has four broadly defined parts: self-awareness (recognising and understanding one’s own emotions), managing emotions (self-regulation), empathy (recognising and understanding the feelings of others) and social skills (relationships and managing the emotions of others).<sup>21</sup>

### *Functioning*

**Control:** *Children and young people have sufficient control over their own lives.* Experiencing control involves feelings of choice and authenticity about your thoughts and behaviours,<sup>22</sup> a growing sense of independence, and an increasing ability to make good decisions. In early childhood children may lack the ability to make informed decisions on their own behalf and decisions are made for them with concern for their best interests. But this ability grows quickly and the ethical challenge for caregiving adults is being able to identify when a concern for children’s welfare needs to start giving way to a respect for their choices.<sup>23</sup> When children experience control, they will feel their choices are respected by adults and others. As they reach young adulthood, they will feel they have freedom to choose to do things



they enjoy and to make decisions about how they live their life based on their values.<sup>24,25</sup>

***Relationships:*** Children and young people build and sustain supportive relationships with family, friends, peers and others.

Having relationships with other people is a recognised psychological need.<sup>26</sup>

Children and young people should experience knowing that people care about them, and feeling close to others. They need to be supported to develop skills to interact with other people, form friendships and sustain good relationships with family/carers and others.<sup>27</sup>

***Achievement:*** Children and young people are growing in their learning and in the development of their skills.

Experiencing achievement involves being able to learn, develop and put skills into practice in order to have a meaningful impact on the world.<sup>28</sup> Children and young people should feel accomplishment from what they do and able to make use of their abilities.<sup>29</sup>

### *Preparation for adulthood*

#### ***Participation***

Young adults will be able to participate fully: making contributions to and receiving support from society, their environment and the local economy. This may involve volunteering, work experience or paid work outside of the care setting.

#### ***Independence***

Young adults will be able to maximise their independence and self-determination in their living conditions and engagement with the wider community. They are supported to develop their independence while protecting themselves from being in unsafe situations or with unsafe people. Independence is promoted and planned in accordance with the needs and maturity of each child.<sup>30</sup>

#### ***Inclusion***

Young adults will be fully included in the community: both the local community, and communities of interest relating to their skills, aspirations and hobbies. They will be supported to challenge and overcome barriers to opportunity and participation.

#### ***Wellbeing***

Young adults will have wellbeing: experiencing health, happiness and satisfaction, and functioning well. If the eight core outcomes are being achieved then feelings of wellbeing are highly likely, as described in the Dynamic model of wellbeing (Figure 2).

### *Community outcomes*

#### ***Strong local economy***

A strong local business sector, with high levels of staff retention in jobs, low levels of wasted resources in supply and production systems and robust connections between small enterprise and big business. Local people are supported to become financially

strong individuals in terms of income-to-cost-of-living ratios and being able to have savings.

### ***Inclusive and supportive community***

A local community in which all people feel valued, respected and can experience belonging. People are given equal access and opportunity, and are supported to identify and develop their skills, abilities, gifts and talents, as well as to build and sustain friendships.

### ***Safe and healthy environment***

A physical environment which promotes good physical health, for example through green spaces, air quality, and opportunities to be active. Crime is low, and people feel safe and know how to protect themselves from harm.

## **Section C: Service qualities**

Service qualities describe expectations regarding the approach providers will take to achieve outcomes in the framework with children and young people. SET commissioners will not over-prescribe how providers work, but they will expect providers to evidence that they are working in a way which meets the following criteria.

1. ***Co-production***: Providers work with parents and the local community, as well as children and young people, in order to co-design and co-deliver their activities. They seek ways for each stakeholder to make contributions to the service as equal partners, building on their capabilities - for example the capabilities of parents to support each other and share information.

Commissioners also work with parents, children and young people, and providers to co-produce their commissioning – gaining further insight on the outcomes people most value and iteratively developing the approach to measurement and evaluation.<sup>31</sup>

2. ***Value for money***: Providers and commissioners seek the optimal use of resources to achieve the intended outcomes. Value for money involves the ongoing review and adjustment of resources to meet four criteria: economy (minimising the cost of input resources required), efficiency (optimising the relationship between the inputs and outputs), effectiveness (optimising the relationship between outputs and intended outcomes) and equity (spending fairly so that services reach all people that they are intended to reach).<sup>32</sup>
3. ***Promoting inclusion***: Providers play an active role in promoting the inclusion of the children and young people in their care in society and challenge barriers to inclusion in the community or at a national level.

- 4. Collaboration:** Providers develop links with local communities, work in partnership with other services, and collaborate with other providers. Links with local communities support the integration of children and young people into the world beyond school and care, and allow providers and the children and young people in their care to make use of local assets such as community groups, clubs, events, green spaces, and cultural and sporting facilities to support the achievement of outcomes. Relationships with other local services, including relevant child, adolescent and adult services provided by local authorities and clinical commissioning groups, facilitate smooth transitions and referrals.

Collaborations with other providers encourage innovation and best practice to be shared, and also developed collectively. Providers are encouraged to share data collection tools and coordinate trainings so they are not duplicated.

- 5. Contributing additional value:** As is set out in the Public Services (Social Value) Act 2013,<sup>33</sup> the commissioners in SET work to maximise wider social, economic and environmental benefits when they commission services. Providers therefore deliver their services in ways which create additional value for the local area. They make careful and sustainable use of environmental resources, provide good local employment, training and training opportunities, and support community activities to thrive.
- 6. Ensuring financial sustainability:** Providers take responsibility for their financial viability and demonstrate that their organisation is financially sound and has a sustainable funding model.

## Measurement Approach

The measurement approach was developed through a similar process of co-produced workshops with providers, parents, commissioners, and the SET project team. It provides a structure for identifying and measuring progression towards outcomes by children and young people in the care of providers at both an individual and service level. It is made up of three sections, described below.

### Aspects of the measurement approach

#### *Section A: Outcome indicators*

Indicators are a sign or a 'way of knowing' if children and young people are achieving an outcome. Indicators are not a direct measure of an outcome. Data collection tools such as observation and questionnaires, alongside recording and analysis should be used to find out if outcomes are being achieved. Providers already collect data in various formats that will be useful for this.

The indicators listed here are a menu of options that providers can select from based on what is most relevant to their setting and the children and young people they work with. This group of indicators have been designed with flexibility in mind; providers should choose a small number of indicators to measure against for each outcome. They are not expected to report on all indicators. Some indicators are duplicated because they are a way of knowing that progress is being made on more than one outcome. The number of indicators used should be kept manageable for reporting, however at least two indicators should be selected per outcome to support a robust assessment. Providers may find it useful to set goals for an indicator, e.g. incidents of absconding reduced by X per cent.

The starred indicators are core indicators which are required to be used by all providers. Additional indicators, some of which may also be starred, will be chosen and agreed in discussion between the provider and the commissioner or monitoring authority. This allows the most meaningful and relevant indicators to be applied and to change them as appropriate. The importance of dialogue and discussion between commissioners and providers is central to understanding what is being measured and why.

#### *Section B: Principles for good evidence*

These principles have been developed to help us understand how confident commissioners can be in the evidence presented by providers, and to encourage providers to develop the best possible evidence base. The principles for good evidence are graded from level 1 to level 3. Level 1 is an acceptable standard for evidence, however commissioners would like to see standards of evidence develop and progress towards level 3. There are four principles:

1. **Triangulation** is a term that refers to drawing upon multiple data sources in order to reach a conclusion. For example, measuring children's levels of resilience by

both observation (Are there a reduced number of disproportionate emotional or aggressive outbursts in response to setbacks?) and self-assessment by the children using a survey scale. The data collection methods used should be reliable, which means a method that produces stable or consistent results. Providers may present qualitative evidence such as observation notes, video or photographic evidence of a child's achievement. Often the richest data is a combination of qualitative and quantitative.

2. **Transparency** is important to ensure that others can adequately assess the evidence provided. Provide as much relevant information about the data as possible, e.g. the sample size and the data collection tools used.
3. **Multiple perspectives** requires involving a range of relevant and significant stakeholders in the process of assessing outcomes. The different perspectives should be considered for agreement. If there are important differences of opinion this should be explored to identify the reasons and to see if consensus can be reached.
4. **Multiple points in time** is a principle that refers to collecting data regularly enough to be able to identify the degree of progression towards an outcome and whether it is sustained over time.

### *Section C: Data collection tools – optional tools to use or adapt*

A selection of tools are listed that can be used with children and young people to measure and record their progress on SET outcomes. This selection is by no means prescriptive or exhaustive. Providers are encouraged to choose a data collection approach that is best suited to the needs and abilities of the children and young people in their care, whilst also giving consideration to the principles for good evidence outlined in this document. Providers may draw from a variety of data collection methods, including both qualitative and quantitative methods, and creative methods such as video evidence. They may use methods developed by their own organisation, if suitable.

**Section A: Outcome indicators**

	<b>Safety</b>
	<b><i>Children and young people...</i></b>
★	Live in an environment that is free of abuse and violence
★	Have a significant adult they can turn to for support
	Feel safe and secure
	Feel confident that adults in their life will listen to and consider their views
	Receive appropriate guidance from adults about harmful risk taking behaviour
	Have good strategies for assessing and managing risks in day-to-day life
	Have reduced reported incidents of self-harm
	Have a reduced number of unexplained absences from school or other services
	Do not experience bullying
	Are not involved in bullying others
	<b>Health</b>
	<b><i>Children and young people...</i></b>
★	Are empowered to express their wishes to health professionals
★	Receive the appropriate treatment, care or support to manage any disabilities or health conditions
	Engage with appropriate therapeutic processes
	Express a positive attitude towards their wellbeing
	Take part in regular exercise
	Eat nutritious meals each day
	Regularly have adequate sleep
	Can assess and avoid risks to their health
	Are able to self-refer to access services
	<b>Resilience</b>
	<b><i>Children and young people...</i></b>
	Feel supported in coping with difficulties in life
	Are generally confident when faced with problems and challenges in

	everyday life
	Have identified coping strategies and can use them
	Have the confidence to try again following failure or disappointment
	Have a reduced number of unexplained absences from school or other services ( <i>duplicated</i> )
	Have a reduced number of disproportionate emotional or aggressive outbursts in response to setbacks
	<b>Self-esteem</b>
	<b><i>Children and young people...</i></b>
	Can identify their strengths or good qualities
	Can speak positively about themselves
	Have a well-developed sense of identity
	Have the confidence to try new activities
	Increase their level of contribution to group activities and discussions
	Receive praise and encouragement
	Know they are valued by others
	Are generally confident when faced with problems and challenges in everyday life ( <i>duplicated</i> )
	<b>Emotional intelligence</b>
	<b><i>Children and young people...</i></b>
	Can recognise their own feelings
	Can manage strong emotions in a healthy way
	Can manage and resolve conflicts in constructive ways
	Demonstrate empathy when someone gets their feelings hurt
	Can consider the impact of their actions on others
	Can sustain friendships
	Are observed sharing with others
	Are able to work well in a team with other people
	<b>Control</b>
	<b><i>Children and young people...</i></b>
	Have increased examples of prioritising choices with longer term benefits rather than short term desires

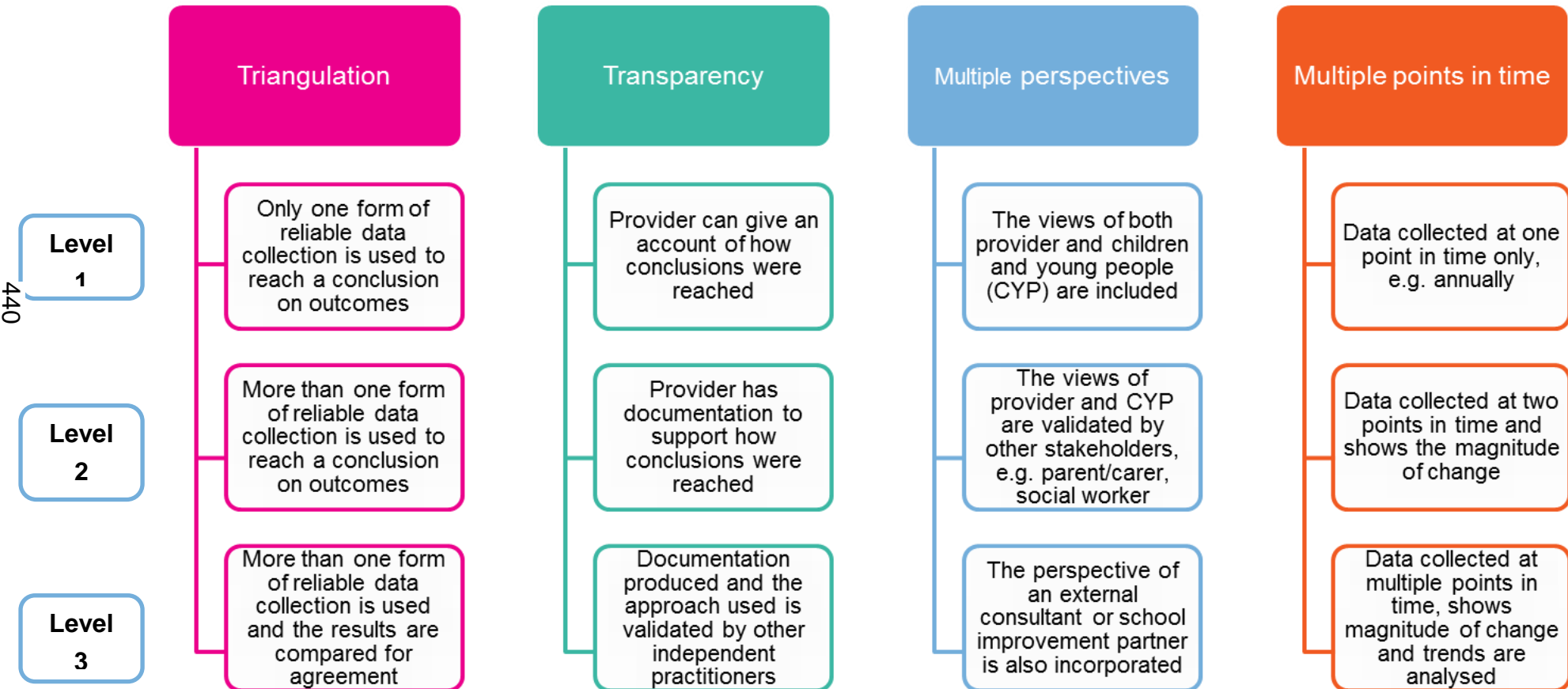
	Feel able to make or influence decisions about their life
	Feel included in important day to day decisions that affect them
	Have reduced incidences of being excluded from class or detentions
	Are able to make choices for themselves
	Can take responsibility for the consequences of their choices
	Develop a level of independence appropriate for their age or stage
	<b>Relationships</b>
	<b><i>Children and young people...</i></b>
	Feel accepted and valued
	Have access to a range of opportunities to build friendships
	Have one or more friend they report feeling close to
	Feel mostly happy with their relationships with others
	Have someone they can turn to and rely on when experiencing difficulties
	Communicate with others about their feelings
	Increase their level of participation in group activities
	Have improved quality of social interaction
	Can recognise and avoid negative social influences/peer groups
	<b>Achievement</b>
	<b><i>Children and young people...</i></b>
	Are meeting or exceeding appropriate learning targets
	Experience a sense of achievement from what they are learning
	Are motivated to learn at school
	Have opportunities to use the skills and abilities they value, e.g. creative, sport, academic
	Have their growth in ability recognised by others
	Are learning about themselves and what they can achieve
	Can work in groups to accomplish goals
	Gain appropriate accreditation
	<b>Preparation for adulthood</b>
	<b><i>Children and young people...</i></b>
	Are participating in activities outside the care setting, appropriate to their



	age
	Continue to participate in education, employment or training upon leaving the care setting
	Feel free to decide how to live their lives
	Have time to do the things they enjoy
	Feel accepted in the local community
	Feel satisfied with life

## Section B: Principles for good evidence

These principles have been developed to help us understand how confident we can be in the evidence presented by providers, and to encourage providers to develop the best possible evidence base. Levels 1 is acceptable, level 2 is good and level 3 is excellent.



**Section C: Data collection tools – optional tools to use or adapt**

Name of tool	Tool developer	Website	Method	Summary	SET outcomes measured
Outcomes star	Triangle Consulting	<a href="http://www.outcomesstar.org.uk">www.outcomesstar.org.uk</a>	Paper or online record, self-complete or with assistance	There are a range of outcomes stars available. 'My Star' has been developed for children aged 7-14 and covers 8 areas.	Health, safety, relationships, self-esteem
Rosenberg self-esteem scale	Dr Morris Rosenberg, University of Maryland	<a href="http://www.yorku.ca/roka/da/psyctest/rosenbrg.pdf">http://www.yorku.ca/roka/da/psyctest/rosenbrg.pdf</a>	Self-assessment questionnaire, led by interview with a practitioner	A self-esteem questionnaire that uses a 4 point agreement scale.	Self-esteem
The Short Warwick-Edinburgh Mental Wellbeing Scale (SWEMWBS)	University of Edinburgh, University of Warwick, NHS Scotland	<a href="http://www2.warwick.ac.uk/fac/med/research/platform/wemwbs/development/swemwbs/">http://www2.warwick.ac.uk/fac/med/research/platform/wemwbs/development/swemwbs/</a>	Self-assessment questionnaire	A 7 item questionnaire that measures mental wellbeing. This is a shorter version of the 14 item questionnaire.	Resilience, self-esteem, relationships, control,
Strengths and Difficulties Questionnaire (SDQ)	Professor Robert Goodman	<a href="http://www.sdqinfo.com/py/sdqinfo/b0.py">http://www.sdqinfo.com/py/sdqinfo/b0.py</a>	Self-assessment questionnaire, led by interview with practitioner	A 3 point behavioural questionnaire often used in school or community settings.	Emotional literacy, resilience
The Nowicki-Strickland Internal /External Locus of Control Scale	S. Nowicki, B.R. Strickland	<a href="http://www.ncb.org.uk/media/521182/ncercc_resilience130607.pdf">http://www.ncb.org.uk/media/521182/ncercc_resilience130607.pdf</a>	Self-assessment questionnaire	A paper based questionnaire with yes/no responses that has been adapted into a shorter form for young people.	Control

## 20 South East Together: Common outcomes framework and measurement approach

NPC well-being measure and NPC well-being measure for SEN children	New Philanthropy Capital (NPC)	<a href="http://www.well-beingmeasure.com/about">http://www.well-beingmeasure.com/about</a> <a href="http://www.thinknpc.org/publications/measuring-the-well-being-of-young-people-with-special-educational-needs/">http://www.thinknpc.org/publications/measuring-the-well-being-of-young-people-with-special-educational-needs/</a>	Self-assessment questionnaire	A questionnaire for 11-16 year olds that covers 8 areas of wellbeing. The tool has also been adapted for use with SEN children.	Relationships, resilience, self-esteem
National accounts of wellbeing	New Economics Foundation (NEF)	<a href="http://www.nationalaccounts.org/learning/download-report.html">http://www.nationalaccounts.org/learning/download-report.html</a>	Self-assessment questionnaire	A set of questions used to track and compare wellbeing internationally. Contains questions that can be adapted for children and young people on pages 62-63.	Health, resilience, self-esteem, control, relationships
Goal Based Outcomes	Dr Duncan Law and Jenna Jacob, Child Outcomes Research Consortium	<a href="https://www.ucl.ac.uk/ebpu/docs/publication_files/Goals_booklet_3rd_ed">https://www.ucl.ac.uk/ebpu/docs/publication_files/Goals_booklet_3rd_ed</a>	Goal Progress Chart, completed by child, their family member or carer	A way to evaluate progress towards goals with children and young people and their families and carers, using a simple scale from 0–10 to capture the change.	Relationships, achievement, preparation for adulthood

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- Independent Fostercare providers
- Non-maintained and Independent special schools
- Residential Children's Homes providers
- South East Together project team
- West Sussex Children in Care Council
- West Sussex Parent Carer Forum

## Endnotes

<sup>1</sup> South East Together (SET) is a group of 15 local authorities involving: West Sussex County Council, East Sussex County Council, Surrey County Council, Kent County Council, Brighton & Hove City Council, and The South London SEN Commissioning Partnership – led by London Borough of Croydon and including the London Boroughs of Bromley, Bexley, Merton, Wandsworth, Lewisham, Sutton, Richmond upon Thames and the Royal Boroughs of Greenwich and Kingston upon Thames.

<sup>2</sup> Slay, J. and Penny, J. (2014). *Commissioning for outcomes and co-production: A practical guide for local authorities*. London: NEF, 7.

<sup>3</sup> The National Audit Office defines value for money as ‘the optimal use of resources to achieve the intended outcomes’. Value for money is assessed according to four criteria: economy (minimising the cost of input resources required), efficiency (optimising the relationship between the inputs and outputs), effectiveness (optimising the relationship between outputs and intended outcomes) and equity (spending fairly so that services reach all people that they are intended to reach). Available at <https://www.nao.org.uk/successful-commissioning/general-principles/value-for-money/assessing-value-for-money/>

<sup>4</sup> Slay, J. and Penny, J. (2014). *Commissioning for outcomes and co-production: A practical guide for local authorities*. London: NEF, 31-36.

<sup>5</sup> Maslow, A. (1954). *Motivation and Personality*. New York: Harper & Row.

<sup>6</sup> Gough, I. (2014). Lists and Thresholds: Comparing the Doyal-Gough Theory of Human Need with Nussbaum’s Capabilities Approach. *Capabilities, Gender, Equality*, edited by Flavio Comim and M. Nussbaum, 357–82. Cambridge: Cambridge University Press.

<sup>7</sup> The Centre for Wellbeing (2011). *Measuring our progress: The power of wellbeing*. London: NEF.

<sup>8</sup> Agency, connectedness and competence are the three universal psychological needs highlighted by self-determination theory (SDT) – an evidence based theory about the underpinnings of wellbeing. SDT demonstrates that pursuing aspirations that lead to the satisfaction of these three psychological needs will subsequently lead to high reported wellbeing, over the short term and the long term. For more detail see Ryan, Huta & Deci (2008). Living well: A self-determination theory perspective on eudaimonia *Journal of Happiness Studies*, 9,139–170.

<sup>9</sup> Preparing for adulthood [webpage]. Available at: <http://www.preparingforadulthood.org.uk/>

<sup>10</sup> Ofsted and the Care Quality Commission (2015). *The inspection of local areas’ effectiveness in identifying and meeting the needs of disabled children and young people and those who have special educational needs: Consultation document*. Manchester: Ofsted,10.

<sup>11</sup> Ryan, Huta & Deci (2008). Living well: A self-determination theory perspective on eudaimonia *Journal of Happiness Studies*, 9,139–170.

<sup>12</sup> Qualter, P., Gardner, K.J., Pope, D., Hutchinson, J.M., & Whiteley, H.E (2012). Ability emotional intelligence, trait emotional intelligence, and academic success in British secondary schools: A 5-year longitudinal study. *Learning and Individual Differences*, 22, 83-91.

<sup>13</sup> McNeil, B., Reeder, N. and Rich, J. (2012). *A framework of outcomes for young people*. London: The Young Foundation.

<sup>14</sup> Adapted from Stradling, B. and MacNeil, M. (n.d.). *Getting It Right For Every Child (GIRFEC): A framework for measuring children’s wellbeing*. Edinburgh: Getting It Right Evaluation Team, University of Edinburgh.

<sup>15</sup> World Health Organization (n.d.). *Mental health* [webpage]. Available at [http://www.who.int/topics/mental\\_health/en/](http://www.who.int/topics/mental_health/en/)

<sup>16</sup> Davies, S.C. (2014). *Annual Report of the Chief Medical Officer 2013, Public Mental Health Priorities: Investing in the Evidence*, London: Department of Health.

<sup>17</sup> Michaelson, J. et al. (2009). *National accounts of wellbeing: Bringing real wealth onto the balance sheet*. London: NEF; Resilience Research Centre (n.d.). *What is Resilience?* [webpage]. Available at <http://www.resilienceresearch.org/about-the-rrc/resilience>

<sup>18</sup> National Centre for Excellence in Residential Child Care (n.d.) *Commissioning: A brief introduction to resilience*. NCERCC.

<sup>19</sup> Mind (n.d.). *About self-esteem* [webpage]. Available at <http://www.mind.org.uk/information-support/types-of-mental-health-problems/self-esteem/#.VkHKjLfhAdU>

<sup>20</sup> Hopson, B. and Adams, J. (1976). Towards an understanding of transitions. In Adam, J. and Hopson, B. (Eds) *Transition: Understanding and Managing Personal Change*, London: Martin Robertson.

<sup>21</sup> Goleman, D. (1995). *Emotional Intelligence*. London: Bloomsbury; Phoenix Fostering (n.d.). *Emotional Intelligence* [webpage]. Available at <http://www.phoenixfostering.co.uk/research-and-development-in-therapeutic-fostering/p142662-emotional-intelligence.html>

<sup>22</sup> Ryan, Huta & Deci (2008). Living well: A self-determination theory perspective on eudaimonia *Journal of Happiness Studies*, 9,139–170.

<sup>23</sup> British Medical Association (n.d.). *Ethics tool kit for students: The growth of autonomy* [webpage]. Available at <http://bma.org.uk/support-at-work/ethics/medical-students-ethics-tool-kit/children-and-young-people>

<sup>24</sup> A young person's control may be restricted if it has been prescribed as necessary for their own safety, following the procedure set out in the Deprivation of Liberty Safeguards (DoLS). However, efforts should still be made to maximise their control within the restrictions determined. For more on DoLS, see <http://www.scie.org.uk/publications/ataglance/ataglance43.asp>

<sup>25</sup> Michaelson, J. et al. (2009). *National accounts of wellbeing: Bringing real wealth onto the balance sheet*. London: NEF.

<sup>26</sup> Ryan, Huta & Deci (2008). Living well: A self-determination theory perspective on eudaimonia *Journal of Happiness Studies*, 9,139–170.

<sup>27</sup> Stradling, B. and MacNeil, M. (n.d.). *Getting It Right For Every Child (GIRFEC): A framework for measuring children's wellbeing*. Edinburgh: Getting It Right Evaluation Team, University of Edinburgh.

<sup>28</sup> Ryan, Huta & Deci (2008). Living well: A self-determination theory perspective on eudaimonia *Journal of Happiness Studies*, 9,139–170.

<sup>29</sup> Michaelson, J. et al. (2009). *National accounts of wellbeing: Bringing real wealth onto the balance sheet*. London: NEF.

<sup>30</sup> Ofsted (2015). *Inspection of children's homes: Framework for inspection from 1 April 2015*. Manchester: Ofsted.

<sup>31</sup> Slay, J. and Penny, J. (2014). *Commissioning for outcomes and co-production: A practical guide for local authorities*. London: NEF.

<sup>32</sup> The National Audit Office (n.d.). *Assessing value for money* [webpage]. Available at <https://www.nao.org.uk/successful-commissioning/general-principles/value-for-money/assessing-value-for-money/>

<sup>33</sup> Cabinet Office (2016). *Social Value Act: Information and resources* [webpage]. Available at <https://www.gov.uk/government/publications/social-value-act-information-and-resources/social-value-act-information-and-resources>







**West Sussex County Council  
East Sussex County Council  
Surrey County Council  
Kent County Council  
Brighton & Hove City Council  
Medway Council  
Essex County Council**

**BUSINESS CASE AND PROCUREMENT STRATEGY  
FOR A DYNAMIC PURCHASING SYSTEM AND A  
STRATEGIC CONTRACT MANAGEMENT FUNCTION**

**Executive Summary**

**To be completed**

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**1. Purpose (What has been agreed and what this business case is designed to illustrate).**

- 1.1. Following the completion of stage 1 of the South East Together Project (SET) (see background) an options paper was presented to the Project Board on 22<sup>nd</sup> January 2016. This options paper recommended a way forward for a regional approach to the method of procuring placements with independent providers in the market sectors of Special Education Needs, Fostercare and Social Care for Looked After Children. The options paper narrowed down to a preferred solution and introduced further options for Contract Management, Quality Assurance and IT solutions.
- 1.2. Due to the breadth of potential partners and range of current practices in these areas, the options paper only sought to provide an overview of the construct of the preferred solution and identify the benefits which could be realised but not the full and exact scale.
- 1.3. In order to test the preferred solution and evidence it's benefits to each partner, it was recommended that partner authorities confirm their participation in the development of a full and detailed business case which outlined exactly how the preferred solution would operate, the cost to each authority and individual return on investment.
- 1.4. The principle advantages and reasons for working together have been agreed by all remaining partners and two additional partners who joined the group in April 2016, and form the basis for developing the solutions described herein.
- Providers have an expectation that local authorities will work together to deliver a common way of working for making referrals to independent providers , monitoring placements and quality of service and managing overarching contract arrangements.
  - The revised National Contracts should be embedded consistently across the region, and nationally.
  - The Outcomes Framework and Measurement Approach developed in phase 1 of the SET project should be embedded consistently across the region.
  - Children, Parents and Carers expect a good standard of service/care regardless of geography and demography.
  - All partners face similar pressures of doing more with less.

*Note: The BC tries to address the different positions that each partner is currently in as the benefits and ROI will be different depending on the current arrangements and purchasing practices in place for each of the services. For example spot purchasing vs block contracts vs frameworks vs DPS.*

- 1.5. The Business Case also recommends the responsible authority (or collaboration of authorities) for each element of the solution; this includes recommending that West Sussex County Council (WSCC) is the Lead

Contracting Authority for the purposes of procuring, establishing and providing the overarching management the DPS across all services.

- 1.6. Finally, but most importantly, the business cases priority is to provide Councils and commissioners with a strategic procurement solution with which children and young people with SEN, and LAC needing care or fostering can achieve their full potential through the right interventions at the right time, with a capable market of providers. The success of these solutions will be measured by more young people feeling safe, secure, in further education, training, apprenticeships or work, feeling that their contribution to society matters and is valued.

## 2. **Background**

- 2.1. The SET project was established by WSCC in April 2015 following discussions with the Department for Education (DfE) and a successful application to the DfE's Children's Social Care Innovation Programme to look at the possibilities of developing a regional (and potentially a blue-print for a national) DPS.
- 2.2. WSCC was the first Local Authority to introduce a DPS for education/social care type services (in 2011/12) and this is now established within WSCC and Kent County Council (Kent CC) as the prime mechanism for commissioning SEN services.
- 2.3. The current WSCC DPS is held up as a model of good practice and enjoys the full support of the National Association of Non-maintained and Independent Special Schools (NASS), a highly regarded and influential body with strong links to the DfE and central government policy advisors. In an unprecedentedly difficult financial context, WSCC has not only been able to retain services for children, but improve outcomes, develop healthier relationships with providers and increase value for money.
- 2.4. This led to an approach by representatives from the DfE Innovation Programme to WSCC encouraging them to consider forming a regional DPS that would extend its remit to include social care placements. This resulted in the development of the SET project with regional partners from Surrey, East Sussex, Kent, Brighton and Hove City Council and the South London SEN Commissioning Partnership. Each expressed a genuine, in-principle, interest in participating in the project and a commitment to working towards a regional model.
- 2.5. WSCC submitted a bid to the DfE for funding which it could use to create staff capacity to allow the partners to explore, in greater detail, the option for developing a regional DPS. The bid was successful and a sum of £349,839 was awarded to WSCC to initiate a programme of work between the periods 1 April 2015 – 31 March 2016.
- 2.6. The programme of work delivered a number of outputs:

- Reviewed and established new national contract schedules and terms and conditions.
- Developed with New Economics Foundation (NEF) a Common Outcomes Framework and Measurement Approach aimed at improving the services provided and the outcomes achieved for individual children by facilitating an outcomes-based commissioning model.
- Spend and market analysis undertaken by Cordis Bright, procurement practice appraisal undertaken by the Project Team.

2.7. The project has now moved into phase 2, the development and approval of the overarching business case, and includes the following partners:

- Brighton & Hove City Council
- East Sussex County Council
- Essex County Council\*
- Kent County Council
- Medway Council\*
- Surrey County Council
- West Sussex County Council

\* Essex and Medway Councils were not part of Phase 1 of the South East Together project but have since expressed an interest in progressing with being part of a DPS and / or Contract Management function subject to business case approval and have agreed to provide information and support to the development of this business case.

The SL SEN Commissioning Partnership exited the project at the end of phase 1 to procure a DPS on behalf of its members for INMSS only.

### 3. **Why Do This Now?**

#### **The Regulatory Need**

- 3.1. The partnering Authorities will need to establish a compliant, commercially intelligent, outcome based purchasing model. The options appraisal recommended the establishment of a regional Dynamic Purchasing System.
- 3.2. In February 2015, the Public Contract Regulations 2015 were passed into UK law. These regulations govern all public procurement, and most significantly introduced a regulatory framework for Care Wellbeing and Education services known as the "Light Touch Regime" where previously these services were known as "part B" and essentially exempt from the regulations.
- 3.3. Part B services such as SEN, Foster care and Residential Care were not previously fully regulated in respect of procurement regulations and whilst the Local Authorities statutory best value duty applied, compliant procurement and purchasing was not necessarily required.
- 3.4. **The Public Contract Regulations 2015 now mean that spot purchasing, non-compliant frameworks, and approved supplier lists will not be**

**acceptable forms of procurement for services above specified financial thresholds.**

- 3.5. The Children and Families Act 2014 replaces the Statements of Special Education Needs which were primarily “input” driven to an outcomes based Education, Health and Care Plan (EHCP). The SET project has coproduced with young people, parents and providers of services the Common Outcomes Framework to be embedded in any procurement. This will require Council’s working with providers to be more innovative and open in the way in which services are created and delivered.
- 3.6. In addition, the following legislation and regulatory requirements support the need to secure high quality placements for children and young people.

Legislation/regulation	Relevance	What this means in practice
Section 22G of the Children Act 1989	Sufficiency duty	Requirement for local authorities to ensure there are enough placements available locally to meet the needs of children and young people.
Ofsted inspections and regulation of children’s homes, special schools, fostering agencies and parent and child residential assessment centres.	Regulatory and inspection framework	Clear standards for delivery of service for placement providers. Local authority specifications for placements will use the national regulations as a key point of reference. Ofsted inspections of individual providers are used as part of performance management by placing authorities.
Southwark Judgement 2009	Duty to take vulnerable young people aged 16+ into the care of the local authority	Housing and Children’s Social Care must assess vulnerable homeless young people to ensure they are offered the most appropriate service to meet their needs. If they are assessed as vulnerable they will be accommodated – the local authority should have placements available to meet need.
Children and Families Act 2014	Duty to support Staying Put placements	Introduced a legal duty for local authorities to support young people “staying put” with their former foster carer after the age of 18, as long as the local authority decides this is in the best interest of the young person.
Children and Families Act 2014	Duty to jointly work with key partners in assessment and planning	Education, health and social care professionals should work together to assess and make a plan for children and young people with a disability or special educational needs, which can be in place until the age of 25.
Children Act 1989, updated	Duty to support staying put	Local authorities must consider a

January 2015 (planning transition to adulthood for care leavers volume 3) Children (Leaving Care) Act 2000	placements	more graduated transition to adulthood for young people in care.
Adoption and Children Act 2002/Special Guardianship Regulations 2005	Provides the legal framework for Special Guardianship Orders for children in care	The local authority has greater choice over permanence options for children in care if adoption is not the plan, as an alternative to long term care. This has an impact if the child is in an external foster placement and requires negotiation with the fostering agency.

### **The Needs of Children and Young People**

- 3.7. Children and Young People need to feel safe and secure and have the support and opportunities to maximise their potential for growth and ease their transition into adulthood. They should be able to engage with their local communities and contribute to society.
- 3.8. In Foster care and Residential Care for Looked after Children, permanency of placement is a strong building block for achieving quality outcomes. Therefore identifying the right provider is important as is ensuring the market has the environment to work with authorities to create new approaches to provision or increasing capacity based on transparency of information relating to referrals made.
- 3.9. Good quality placements are needed in all cases, children, young people, parents and carers want to be involved in the outcomes identified for them and contribute to their Care and EHC plans. They also want to feel that the organisations they work with involve them in the production of services.
- 3.10. Whilst a procurement route is only a tool to select a placement, the strategy for selecting provider and placement is key to meeting the child's needs without retrospective intervention or more costly solutions later on. Embedding the Common Outcomes Framework with the supply chain and within individual placement agreements (IPA) as well as a standardised referral process which prioritises the child's needs is seen as critical to this procurement and business case.

### **The Needs of the Market**

- 3.11. Understanding the historic approach and the positive and negative effects Councils actions have had on the market was an important first step in developing a solution which would be acceptable to all stakeholders.
- 3.12. The Nationwide Association of Fostering Providers (NAFP), Independent Children's Home Association (ICHA) and the National Association of Non-

Maintained and Independent Schools Special Schools (NASS) undertook a survey in 2012, exploring experiences among their members of Local Government Procurement.

3.13. This looked to measure and report on the amount of time and cost providers incurred when responding to referrals or undertaking a procurement exercise. The main findings describe:

- 43% of providers have spent more than one month of staff time on procurement activity.
- One provider estimated staff cost on procurement equivalent to 365 days.
- Only 9% of providers feel that procurement reduces the number of placements they receive.
- 45% of providers felt that procurement increases the number of placements they receive.

3.14. The report also highlight the positive and negative impacts of local authorities procurement practices:

- (+)Better relationships with Local Authorities
- (+)Increased understanding of Local Authority partners and their needs
- (+)Better understanding of contractual documentation
- (+)Greater transparency in costs and processes
- (-)Driving down costs below a level where high quality services cannot be sustained and organisations are under threat
- (-)The time and effort spent on paper-based activities rather than on direct work with children
- (-)Increased costs through increased staff time spent on activity
- (-)Emphasis on price rather than quality of service provided
- (-)Duplication of effort on activities which are similar but not identical
- (-)Decreasing contact with frontline professionals in Local Authorities as part of the referral and placement process.
- (+)Feeling as if an open and honest relationship had been established between provider and placing authority
- (+)Meeting more regularly with Local Authorities
- (+)Satisfaction in being able to provide a service which the Local Authority had been unable to provide
- (+)Good communication between both parties – particularly in respect of the needs of the child
- (+)Access to high quality information about the needs of the child and the service required
- (-)Lack of face-to-face contact with commissioners
- (-)Lack of information or poor quality information provided by the Local Authority
- (-)Receiving every single referral from the Local Authority – even if these are clearly not appropriate to the service



- (-)Lack of feedback about the outcomes of tenders
- (-)Providers signing up to framework agreements which are not honoured by the Local Authority e.g. on fees

3.15. Finally, respondents were asked to note what they thought Local Authorities could do to make the procurement process easier for providers and more effective in meeting the needs for children and young people. The responses are as follows:

- Create a national procurement framework that could be followed by all Local Authorities. This would reduce paperwork for providers who work with multiple authorities.
- Be open and transparent about the process and assessment criteria to be used.
- Build and maintain relationships with providers – this enables us to better understand your needs and ensure that we meet the needs of the children and young people that you place with us.
- Try to develop the market, rather than control it, by focusing on issues such as innovation and price flexibility rather than price fixing.
- Simplify and reduce the amount of information asked for.
- Develop two tier processes with minimal information provided at stage 1. Providers who meet the criteria for selection can then be asked to provide more detail at stage 2. This would ensure that providers who are unsuccessful have not had to invest the same amount of time as in a single stage process.
- Create more opportunities to meet with providers on a regular basis. This helps develop trusting relationships. Involve in-house providers in these events to create a “level playing field”.

3.16. Throughout the SET project and whilst developing this business case, partners have looked to address these areas, provide efficiencies for both sides and foster and maintain a good working relationship with the industry.

### **The Need of Local Authorities**

3.17. There is a clear need for Councils to purchase placements from independent sector providers. The number of independent placements made over the past 3+ years has at least remained stable and in some categories increased.

3.18. There are general quality and sufficiency issues in the current provider market, particularly affecting children’s residential services where the changes to the national regulations and Ofsted inspection framework have proved to be a challenge. Demand in fostering has shown in some areas that in the push to meet capacity the knock on effect is a negative impact on the ability to make placements available for complex teenagers, thus pushing complex teenagers into residential placements.

3.19. The SET Partner authorities across the country are experiencing a number of competing challenges within all three services. Demand is increasing,

particularly in addressing more complex needs for children and young people and capacity in some parts of the market is reducing or has reached critical mass. There is also less money available to cope with demand, in some parts of the country and this has meant changes in eligibility threshold for services being provided and therefore a reduction in the number of children or young people accessing the care they may have previously received.

- 3.20. Two significant pieces of legislation have also been introduced; see 3.1-3.4 above, which create an almost contradictory environment for making placements.
- 3.21. It has become increasingly clear that in some geographical areas and service sectors, capability and capacity within the supply market is decreasing. There is a suggestion that some small providers are not benefitting from a relational approach from Councils in delivering to outcomes or developing their business to meet needs. Larger organisations are becoming dominant in some services, through acquisitions or remote ownership, and leverage at Council level is reduced. The SET project has so far demonstrated that influence on a regional level can be more effectively gained by working together.
- 3.22. Financial pressures on Councils also means there is more focus on the need to reduce costs and to evidence that value for money is being achieved. It is widely accepted that spot purchasing or other inefficient procurement methods are less likely to be able to demonstrate that they have shown economy, efficiency, effectiveness and equity; the principles of Value for Money.
- 3.23. Table 1 shows the scale of spend and placements across the SET partnership. These figures have been provided by the partnering organisation but have not been subject to any robust qualification process. It should therefore be noted that there are recognised differences in the recording methods in each Authority and whilst the figures provide an indication of the value of the market, there may be some adjustments required at a later for those partners adopting the regional DPS.

### **What is a Dynamic Purchasing System (DPS)?**

4. Dynamic Purchasing Systems (DPS) are electronic systems used for the purchase of commonly used goods, services or works.
  - 4.1. As a procurement tool, they have aspects that are similar to a framework agreement, except that during their lifespans, any supplier may, if they meet the published criteria, join the system and submit a tender. However it has its own specific set of requirements. It is the most effective, compliant, way of working with and across a whole market sector.
  - 4.2. The use of a DPS is regulated by the Public Contracts Regulations 2015 ("**PCR 2015**") (Regulation 34). It should be established using a restricted "two stage" tendering procedure and run through an electronic process, including competition of individual requirements.

- 4.3. A Contracting Authority is also able to set up a DPS on behalf of a number of other Authorities, as long as the participating authorities are identified in advance and the categories of goods, works or services are included in the requirement. Different categories of goods, works or services can be included in the same DPS by being divided into "Categories".
- 4.4. The Contracting Authority cannot impose a limit on the number of suppliers that may join a DPS, but may set a qualifying threshold which suppliers must meet before being granted a place on the DPS and then be able to bid for a specific contract.
- 4.5. A DPS can therefore act as a 'revolving door' for the Council. Suppliers are able to join the system, but may also have to leave if they fail to maintain the minimum quality standards required. This ensures that only 'accredited' suppliers are validated to tender through the DPS at any one time, generating a dynamically 'approved list'.
- 4.6. The services to be purchased by the local authorities are deemed to be health, social and related services (Schedule 3 – Social and Other Specific Services) for the purposes of the PCR 2015 Regulations and, as the value of the services will exceed the relevant EU threshold of €750,000 (£589,148), the "light touch regime" set out in Chapter 3 Section 7 of the PCR 2015 will apply for the purpose of procuring the services. Under the light touch regime, contracting authorities are able to determine the procedures that are to be applied in connection with the award of contracts subject to the light touch regime, provided that the procedures are at least sufficient to ensure compliance with the principles of transparency and equal treatment. A contracting authority may apply procedures which correspond (with or without variations) to procedures, techniques or other features provided for in Chapter 2 of the PCR 2015 (such as the establishment and use of a DPS under Regulation 34), as well as procedures which do not. A contracting authority therefore has significant flexibility over the type of process that can be used to procure these services. There are also no specific procedural rules in PCR 2015 that cover the awarding of call-off contracts from a pseudo-DPS used for services covered by the light touch regime, and again there is significant therefore flexibility availability to contracting authorities in awarding such call-off contracts. This will be useful here, where for certain categories of services, an element of parent choice may be required at the call-off stage.
- 4.7. As such, the partners are likely to want to use certain features of the DPS as detailed in Regulation 34 of the PCR 2015 but will want to make certain variations to the processes and procedures to reflect the fact that this will be a pseudo DPS for light touch services.
- 4.8. Regulation 59 of the PCR 2015 allows an authority to not have to request documents it already holds unless there has been a substantive change (or documents have expired) which would affect a provider's qualification onto the

DPS. (Note: As procurement, lead WSCC would need to agree a system for verifying this on behalf of other partners).

- 4.9. It has been suggested that to make things easier for the market that existing providers could be passported to a new DPS without a full application being completed. This has been considered but does not seem to be viable or in, the case of trying to introduce new ways of working, desirable for the following reasons:
- The lead contracting authority would not be able to rely on information held by another authority.
  - Just “passporting” lead contracting authority providers may be perceived as favourable treatment and would not meet the requirements of equal treatment under the PCR 2015.
  - The introduction of new requirements under the PCRs 2015 will require reassessment in various areas, so the benefit of a reduced application would be fairly minimal.
  - It is important that all providers are assessed on their ability to deliver services aligned with the new outcomes framework and performance measurement approach.
- 4.10. The traditional framework of commissioning services had a restricted supply base and reduced the negotiating leverage of authorities. Dynamic purchasing allows for an open market so more suppliers could participate, including more niche and new providers that previously found more complex contracting arrangements restrictive.
- 4.11. WSCC established a DPS for SEN in 2012. Over the 4 year+ period the DPS has shown itself to be a more effective purchasing tool than previous models of spot-purchasing for the following reasons:
- It has allowed the Council more control over providers, cost and outcomes. There is complete visibility over the procurement process, with a full audit trail.
  - It generates greater competition and as a result reduces prices. The DPS provides a level playing field where all bids are shortlisted against agreed criteria.
  - It removes reliance on spot purchasing and inconsistent negotiation. Providers are treated equally and value for money is established through the embedded procedure for competition.
  - It helps improve quality. WSCC specifies the Ofsted and credit ratings it requires from its providers before they are allowed access to system. This helped raised quality and consistency in the service, one of the crucial elements of working to improve outcomes across the board. Additionally, the potential to suspend under-performing services from the DPS has introduced a willingness amongst providers to work constructively with the Council to address matters of concern and provides a more effective early warning system to the Council.

- Parents are provided with a transparent choice. They can select their preference from the top shortlisted bidders.
- Providers are offered more opportunities to bid and the costs of procurement and bidding are effectively reduced.
- The system provides more options to consider for an individual child's placement.

4.12. The West Sussex DPS was established under the old Part B regime, and in effect works as an open framework rather than a DPS as set out in the new regulations. The DPS being proposed now uses the experience of the current way of working and takes advantage of the benefits within the new requirements of a DPS, particularly around electronic operations and efficient supplier management.

## 5. **Benefits and Objectives**

5.1. A well run DPS should allow more bespoke choice for the customer and enable the customer's requirements to be broadcasted to a greater number of, accredited suppliers operating on an open footing. The commercial aspects of placements should be established with a view to gaining the best possible value for money for each placement.

5.2. It is important to view the system as a tool to drive quality rather than purely attract savings at the outset; savings could be achieved as part of this process but it is very much dependent on the approach the partners wish to take. The business case makes recommendations devised to most effectively drive out cost and establish the best value for each referral.

5.3. Providing the right packages with clearly defined and expected outcomes will be effective in driving down cost if coupled with monitoring arrangements; the DPS should be seen as a tool for establishing the right placement at the right price at the right time.

5.4. The "State of the Nation" report 2016 by SENDirect suggests that "when providing services and support for a disabled child, a micro-commissioning approach is more practical than block contracts for ensuring that need is met".

5.5. **It should be particularly noted at this point that the opportunity for savings will be different for each partner.** Immediate savings are more likely to be achieved for authorities with less mature purchasing arrangements, for example those currently procuring only on a spot basis only or those with arrangements which were established a number of years ago.

5.6. There are a number of key advantages of procuring services through a DPS:

- Potential cost savings. Dynamic purchasing creates a level playing field where even the smallest local providers can submit bids. This high level of competition has the potential to drive down prices and reduce local authority spend. The open nature of the DPS allows

local authorities to address competitiveness and capacity without having to restart costly procurement exercises.

- Quality control. Suppliers must first be 'accredited' against a set of quality criteria dictated by the partners before being granted entry to the DPS. This can ensure that only high quality suppliers, aligned to outcomes framework, with strong financial checks, are permitted to submit bids.
- Outcome based. Service outcomes can be specified by the partners when procuring through the DPS. In the case of a placement, providers would have to detail how and when they would deliver the desired outcomes for the child or young person. All subjective responses would be assessed by the Council. The Common Outcomes Framework has been established for this very purpose.
- Transparency. The partners would have complete visibility over the end-to-end process of procuring its services, a full transparent audit trail. The open, transparent nature of a DPS can also build trust and certainty for suppliers.
- Increased flexibility. Unlike a Framework, a DPS can respond quickly to sudden demand or supply changes in the market, e.g. a school or home closing or losing the required Ofsted rating.
- Individual Placement Agreements can be added, issued, and awarded faster, reducing risk and decreasing uncertainty for the partners. Additionally, Contracts at the point of application and acceptance can also be completed electronically and efficiently.
- Value for money. With the DPS ranking bids in terms of both cost and quality, the relevant partner is able to demonstrate that all services procured represent maximum value for money.
- Admin consolidation. The electronic, automated nature of a DPS means that suppliers can tender without having to invest hours of time completing forms; it's easier and less time-consuming for them to bid. Invoices could also be electronically consolidated onto a managed DPS, saving officer hours.
- Straightforward implementation. The PCR 2015 has simplified the way a DPS can be implemented. There are fewer advertising requirements; only the DPS itself needs to be advertised within the Office Journal of the European Union (OJEU) and not subsequent refreshes.
- The ending of the practice (now non-compliant with legislation) of spot purchasing placements. This would also be compliant with PCRs 2015 and the partners Best Value Duty.
- No time limit. A DPS can remain 'open' to new suppliers at all times. They have no set time limits regarding how long they can run for, unlike a Framework. A "period of validity" must be stated in the original OJEU notice and the partners will need to make a decision on this balancing the fact that a longer-running DPS will reduce the need to re-compete these services, but if it is too long the DPS may become obsolete if the partners' circumstances or market changes. The PCR 2015 indicates that the period stated in the notice can be

later amended (extended, shortened, terminated) subject to a relevant notification being made and any changes to the period of validity complying with relevant EU Treaty principles. This therefore, provides a useful flexibility should circumstances change.

- SME Access. DPS is the most effective, compliant way of engaging with SMEs, VCSOs etc.
- Multiple Services, one application. Providers may be allowed to bid once to offer more than one category of services on a DPS, reducing evaluation and bidding time and costs for all parties.

5.7. There are, however, drawbacks and possible risks to a DPS:

- Supplier disengagement. For the DPS to work effectively suppliers must be engaged to participate. If only a handful opt to join (or are accepted onto) the system, its ability to reduce spend and improve quality standards is diminished. A critical mass of accredited suppliers is therefore required.
- Entirely electronic. The DPS is entirely electronic and commissioners may therefore need to work with their market to ensure it is able to respond. However providers currently working through a variety of paper and electronic methods will now be working through just one.
- Cultural change. The transition away from spot purchase, block contracts or a traditional Framework to a DPS may require a culture shift. Adequate training and engagement would also need to be provided to operational teams' staff of the partners using the DPS to evaluate subjective outcome based tender responses and embed the importance of transparency and consistency to maintain a healthy market.
- Just a system. The DPS will not revolutionise the local market and guarantee improvement; it would not be the panacea to all ills. It would be a new, better way for accredited suppliers to approach the partners for work, and allow the partners a platform upon which to develop market capacity and capability.
- Unlimited time. The unlimited expiry of a DPS may in time lead to a system which is too big, or not in keeping with market trends. This could affect competitiveness and value for money. Ongoing contract and market management will help avoid this, as well as an effective "period of validity".
- Publication of Contracts. There is now a requirement that at a minimum all contract awards made under a DPS must be published once a quarter, these may be grouped. The transparency requirements of the PCR 2015 also require publication of the same on Contracts Finder. An electronic transparent process will make this easier to collate the necessary information and the electronic tendering and referral tool recommended here facilitates this automatically.
- No savings guarantee. A fall in spend is not a certainty through the DPS; the market may not respond to the DPS as forecast. The

commercial approach described in the solution below is designed to maximise value and possible savings for all partners.

- External factors. Further legislation and market activity around consolidation or acquisition will not be addressed by a DPS, but the partnership approach combined with a procurement tool open to the entire market makes it easier for us to manage these impacts, and in some instances may allow us to influence them.

5.8. The above are related to a DPS regardless of the number partners who implement it. There are further benefits and arguments to support a collaborative approach to establishing a DPS, one which could lead to common standards and best practice being established at commissioning, placement and provider level. These are:

- Contract Monitoring Information available to all.
- Consistency in terms, outcomes and standards.
- Improved intelligence regarding capacity in the market.
- Reduced competition across borders which can distort value for money achieved by individual partners.
- Benchmarking- quality and cost, outcomes learning.
- Reduced time and cost for suppliers at procurement, referral and contract monitoring stages.
- Information sharing and an ongoing partnership relationship can be developed electronically and more efficiently.
- Early warning across multiple partners of market challenges or supplier issues.
- Reduced time and cost for authorities (including Contracting Authorities) at procurement, contract management and quality assurance levels.
- It is recommended that each authority takes responsibility on behalf of the partnership for provider inspections in their respective geographic boundary – a huge efficiency and cost saving for both the local authority and provider.
- Leverage regionally and nationally with providers and with DfE, OFSTED, NASS, ICHA and NAFF.
- The valuable partnership and collaborative working that has formed across the region is maintained longer term.

## 6. **Engagement**

6.1. The business case acknowledges that parents/ carers, children and young people should have a greater influence over the way in which services are delivered which could reduce incidences of appeals and tribunal challenge to the Councils. It is intended that various stakeholders are consulted over the final design for the DPS, referral process and award criteria. Market representative bodies, who have already given feedback on the future of procuring and placing services, will be consulted further and market engagement will be undertaken to ensure current and new providers are



involved and attracted to the new arrangements. This will take place in late October to mid December 2016 .

- 6.2. Extensive engagement with the supply market across the region will be undertaken, to ensure providers are both involved in and understand the approach being adopted and can easily move to the new ways of working contained in this paper.
- 6.3. The procurement phase will also allow for the views and voice of children and young people to be included. It is proposed that a model answer is designed by children/young people to be used in the qualification of providers. As detailed further the scores for this element will be weighted and included in all ongoing placements, further embedding a coproduction, outcomes based ethos in referrals.
- 6.4. The referral process has been designed to incorporate appropriate parent choice.
- 6.5. A high level timetable related to the business case recommendations can be found at Appendix A. *Note: this is dependent on partnering Authority approval timelines.*

## 7. **The proposed solution.**

- 7.1. This business case recommends that WSCC act as lead Contracting Authority on behalf of the SET partners for procuring, establishing and managing a DPS for the placement of SEN, Fostercare and Residential Care for Looked after Children in the independent sector. A roles and responsibilities table is included at Appendix B.
- 7.2. Each of the three distinct services will be divided into "Categories" and each of the partner can choose which Categories they wish to use. There is no requirement to commit to all Categories.
- 7.3. Based on feedback from project group and project board meetings. Alternative Education providers will also be included within the DPS. These will be required to meet differing qualification criteria to other providers because they are not regulated by OFSTED and are less capable of responding to referrals in the traditional way. The requirement and scope for each "category" will be included in the OJEU Contract Notice and a suitable qualification process and valuation criteria will be developed. Providers will be able to submit application for inclusion on the DPS for one of more categories.
- 7.4. Further mechanisms will be put in place for new providers to join any/all of the three categories during the lifetime of the DPS, subject to meeting the original published qualifying criteria. As stated above the qualification criteria will be finalised in collaboration with the partners agreeing to adopt the regional DPS but as an illustration of a typical set of qualification criteria, the table below

provides and sample of what is likely to be included. This list is not exhaustive:

<b>Criteria</b>	<b>Evaluation</b>	<b>Methodology</b>
Mandatory / Discretionary Exclusions for Public Contracts.	Pass / Fail	Against Public Contract Regulations 2015 requirements.
Financial Capability Assessment	Pass / Fail	This will only assess whether there is a suitable level of risk as we cannot examine provider's financial capacity against an unknown volume or value.
Insurances	Pass / Fail.	Set by Category - will need to ensure insurance requirements are reasonable but sufficient so as to not add cost or deter bidders
Compliance with relevant H&S, Equalities and Environmental legislation	Pass / Fail.	Confirm compliance with legislation and no infringements or notices in the last 3 years.
OFSTED or equivalent rating (e.g. ISI)	Pass / Fail.	Must hold and maintain "requires improvement" or above or equivalent
DfE Registrations (if applicable)	Pass / Fail	
Workforce	%	Weighted score set based on particular service category as to approach to any additional standards the authorities wish to set which are above OFSTED requirements.
Business Continuity, Safeguarding and Risk	Pass / Fail	To ensure appropriate arrangements in place for disruption and risk management.
Data Protection	Pass / Fail	Necessary compliance with DPA must be demonstrated.
Ability to work to the outcomes framework and measurement approach	%	Weighted score based on method statement which is based on the 5 components of Outcomes Framework and
Contract Management & Performance Monitoring	%	Weighted score based on method statement to measure level of capability and assurance through performance monitoring.

Commercial	Fixed Cost per placement	See below
<p>Each provider will have established costs which form part of day to day operations and providing client services (reporting etc.) The purpose of establishing a commercial fixed cost within the DPS is threefold.</p> <ol style="list-style-type: none"> <li>1. To ensure that only the variable costs for each placement i.e., the individual needs of the child are part of the competitive process. This ensures that the value for money is focussed on the individual placement and complexities rather than costs which are common for all placements.</li> <li>2. It will guard against providers using any particular troughs or throttles in the market, either due to capacity or the needs of the child reducing competition that these costs cannot be loaded at referral stage.</li> <li>3. It provides a level of cost stability within the market and allows inflationary pressures to be identified and any uplifts agreed only affecting the specific costs associated with that pressure. True cost is therefore more effectively measured</li> </ol> <p>These core costs are currently set out in the National Contracts Schedules and cover 9 main categories. For SEN these are:</p> <ul style="list-style-type: none"> <li>• All costs related to assessment of child or young persons suitability</li> <li>• All costs related to the premises</li> <li>• All costs related to vehicles</li> <li>• All costs related to supplies and services</li> <li>• All costs related to education / classroom</li> <li>• All central / organisational costs</li> <li>• All costs related to establishments core staffing</li> <li>• Staff related costs</li> <li>• All general core costs related to children</li> </ul> <p>Additional fixed costs also apply to other certain types of placements (for example residential)</p> <ul style="list-style-type: none"> <li>• Additional core service offer for all weekly and termly residential placements</li> <li>• Additional core service offer for all 42-52 week residential placements</li> <li>• Additional services offered in relation to specific needs (learning support, occupational therapy, physiotherapy etc)</li> </ul> <p><i>Different but common core costs will also be required from Fostercare and Residential Care providers.</i></p> <p>These core costs provided will be carried forward to all referrals, a provider at the point of referral can and, by increased competition, transparency and provider numbers, will reduce these costs, but cannot increase them.</p> <p>The commercial element of the qualification process will also establish discounts for cohort or sibling referrals, where more than one child is being referred. (Note this is different to block bookings).</p> <p>Finally, the partnership acknowledges that a new procurement process offers the chance for providers to revise prices, and there is a risk that this will result in increased costs to the authorities. <b>The following option is therefore</b></p>		

**recommended for further discussion / development:**

1. *That an "affordability cap" be placed on the qualification process whereby a provider cannot apply (or successfully apply) if their core costs exceed a certain amount. This can be set by authorities individually for a whole category or a common "affordability cap" based on the benchmarking exercise undertaken can be agreed for each category.*

- 7.5. Any selection criteria used and pass mark threshold will be proportionate and objectively justifiable when measured against what is being procured.
- 7.6. **Qualification must be by individual school/residence rather than by provider. The qualification process will allow multiple applications to be made easily.**
- 7.7. A workflow diagram of the qualification process is shown at Appendix D.
- 7.8. All providers will be visible to all of the partners, there will be no "sub Categories" for a County or geographic areas as it may be seen as the Contracting Authoring preventing providers from offering services within a particular geographic area.
- 7.9. However at referral stage the authority will be able to take a selection of providers based on a geographic area and issue the referral only to those identified providers. If there are not a suitable number of providers in the selected area or no bids are received, the authority can change the limit to include a larger number of providers and re-submit the referral.
- 7.10. The qualification stage has scored method statements, these do not prevent a barrier for qualification, but the overall weighted score (out of 100) for the method statements will be taken forward to any referral (call off) stage. It is proposed that this element will then make up 20% of the weighted referral scores for an individual placement.
- 7.11. The rationale for bringing forward the original method statement scores is to ensure that the initial benefit obtained in critical areas of initial qualification (working to outcomes, monitoring and performance) are brought forward to each referral.
- 7.12. However, it is also proposed that these original method statements responses are subject to continuous improvement and incentivisation. This means that the central contract management function and long term provider monitoring (that is crucial to development of services and market capability) will adjust the scores positively or negatively in the future. Practically, it is proposed that a providers scores for methods statements are increased / decreased on a periodic basis (6 monthly/yearly) improving their success rate in referrals and also embedding continuous development and SRM in the market.

- 7.13. The advantage of this approach is to ensure that providers who did not have the necessary capability at the point of qualification (particularly small organisations) are not permanently “shut out” or disadvantaged by the move to outcomes based commissioning and formal performance management. They will be encouraged to undertake improvements in the knowledge that can access the DPS once they have achieved the desired capabilities.
- 7.14. Phase 1 of the project recommended that the procurement and application of the DPS is undertaken through a Cloud Base dedicated DPS IT solution. A detailed review of a leading solution – “adam” - (available on direct call off from a compliant framework agreement) suggests that there are a number of demonstrable benefits from adopting a centralised IT solution. These included constancy of approach and streamlined call off arrangements using standardised referrals, enhanced supplier performance information, detailed market analysis, benchmarking data and market trend functionality. It would also improve communication between the partners.
- 7.15. The solution would also show where the market is performing well and highlight where market development will be necessary. The outcomes framework can be integrated within the system to allow for monitoring to be undertaken easily. This will assist the effectiveness of the contract management function.
- 7.16. However the costs of implementing the “adam” IT solution and ongoing license fees was felt by the WSCC project team not to be financially viable for the partners. The ongoing annual license fees were estimated at an average for each partner as follows:
- SEN £28,696
  - IFA £28,517
  - Residential £21,269
- 7.17. There is also a one off implementation costs of £150,000 split between the partnering Authorities (see Appendix D for a copy of the proposal and a breakdown of costs).
- 7.18. Two other IT solutions (CHARMS DPS & CarePlace) are currently under review and early indications are that these may be significantly cheaper alternatives. However It was felt that at this stage of a RDPs it would be unlikely that all partners, and potential future users of the DPS, will be prepared to migrate to one dedicated IT system so they have not been included any further in this business case. The review of the two other identified system will continue to determine whether they are viable options for possible inclusion at a later stage of development should the partners wish to pursue them further.
- 7.19. It is considered that a centralised IT solution would provide the most benefits from a regional DPS but as outlined above the financial commitment for “adam” is thought to be unacceptable at this stage of project. This means that

the proposed central contract management function will be restricted to the specification outlined in section 9.

- 7.20. Should agreement be reached to move to a full regional DPS and we maintain current timescales referrals could not be made until the full evaluation of initial submissions and tender responses has been completed. Due to the size of the market and number of anticipated applications it is proposed to close entry to the DPS on 1<sup>st</sup> February 2017, whilst on-boarding and mobilisation of systems and new ways of working are completed and then reopen the DPS on the 1<sup>st</sup> April 2017 for new entrants thereon. *Note: these dates are based on the original procurement proposal so will be subject to change based on partners' approval timelines.*
- 7.21. Providers accepted to the DPS must continue to meet the qualifying criteria (pass / fail standards) throughout the life of the DPS. This will require the lead contracting authority to audit providers on at least an annual basis to confirm continued registration. If any provider fails to meet the qualification criteria they will be suspended from further tender activity until such time as the point of failure is addressed satisfactorily and the provider can re-apply. Reapplication will not need to be made in full as the central contract management function will keep all information relating to the provider they will therefore only need to resubmit information relating to satisfying the nature of the suspension. This exclusion will apply to all authorities using the DPS. Authorities cannot request that a provider be excluded from the DPS unless the qualification criteria is not met or otherwise allowed within the terms and conditions of contract.
- 7.22. Timetable for procurement of the DPS is provided at Appendix A. Roles and responsibilities proposed are set out in Appendix B.

## 8. **Tendering Referrals**

- 8.1. The process for competitive procedure (mini-competition) will need to be established under the DPS procurement and agreed and adopted by all partner authorities. This will ensure compliance with procurement regulations, but also ensure the use of the DPS remains transparent, proportionate and ensures all partners and authorities are treated equally within the award criteria and assessment of value for money.
- 8.2. The mini-competition award criteria can be, and will be, different for each service category and each partner. It should not reassess any areas previously evaluated as part of the qualification process, and must be centred on the needs of the child and desired outcomes. It should not take account of past performance of other referrals and should not discriminate against a particular provider or group of providers.

- 8.3. Providers on the DPS for each category must be given the opportunity to apply for every referral within the selected geographic limits. These are set by each Council at the point of individual referral.
- 8.4. The geographic limit can be extended if a suitable number of providers do not exist or are interested in the referral.
- 8.5. It is recommended that the partner authorities agree to the following high level criteria for each "Category".

	SEN	Foster Care	Social Care (LAC)
Cost of Placement (including any discount applicable to cohorts/siblings)	Per week / Per month / Per annum	Per week / Per month / Per annum	Per week / Per month / Per annum
Ability and approach to meeting desired outcomes.	%	%	%
Ability to meet requirements of EHP / SCP. (E.g. therapies, educational needs, specific safeguarding requirements etc.??)*	These will be a list of needs which the provider must indicate whether they can provide. Each need will carry a mark which will then add up to a total weighting based on the number of needs which a provider can meet.**		
Location**	Whilst not a key criteria in the assessment of the most suitable provider, location can play a key part in the child's wellbeing and resulting outcomes as well as incurring sometimes significant additional costs to placements. The proposal here is that 1 mark is subtracted from a total weighting of 5% for every 10 miles the establishment is away from the child's home. (e.g. 0-10 miles =5%, 10-20 = 4%, 50miles+ =0%.		
Specific Features (Must Have and Desirable) (e.g. dietary requirements, EASL, ??)*	These will be a list of features which the provider must indicate whether they can provide. Each need will carry a mark which will then add up to a total weighting based on the number of features which a provider can offer.*		
Core Competency	This is a weighted score carried forward from the qualification scores of a provider weighted to maximum of 20%.		
Incentivisation (optional criteria)	A referral could contain incentives for early step down for complex or intensive needs, this would be a premium payment made for providers who reach outcomes before a given timeframe or allow the placement to reviewed and requirements reduced.		

\* There is very rarely the perfect provider able to meet 100% of every child's needs. The objective of the DPS and mini-competition (referral) process is to identify the provider who is **best placed** to meet as many of the needs and requirement of the child thus meeting the outcomes desired.

8.6. These criteria will be configured to automatically evaluate and score based on populated requirements. For example:

- Specific Features can be listed and each feature which can be met (by a tick) is given a mark (total marks are then weighted automatically).
- Location could be weighted automatically based on distance required to travel.

8.7. The weighting of each criteria can be increased or reduced based on the individual referral requirements, the core weighting for referrals will be based on a combination of 50% quality / 50% price but authorities can vary this weighting 20% either way depending on an individual referral or market demand. This means that the minimum and maximum quality/score weighting can be 30% and 70% respectively.

8.8. A final selection or weighting process could be introduced where similar quality bids are received to reflect parent/carer choice. Therefore it is suggested that where less than 5% difference in total scores exists between up to a maximum of 3 bidders, parents can be asked to make a subjective choice on their preferred establishment.

8.9. The DPS will also allow block bookings, whereby in some circumstances an authority, or group of authorities, can secure capacity in advance. This will require separate criteria to be established and the contract terms for blocks to be established (including refusals and void management), and how these blocks can be varied for costs once a placement is referred into the block – it would be sensible to limit this variability to ensure that blocks cater only for common requirements and the individual needs are most effectively met. The OJEU Contract Notice will include this ability and the exact mechanism for competing for a block contract will be agreed before issuing the tender documents.

8.10. In exceptional and justifiable services direct placements will be allowed. The criteria and circumstances will be agreed with all partners so that consistency is still maintained.

8.11. The process described above is an effective method of creating an efficient but competitive referral process, it has a number of criteria which are automatically cored and weighted based on the bidders response, and the bidder only has to spend time completing one written method statement on



their ability to meet and monitor the outcomes and price only the needs of the child which will be added to previously submitted fixed costs.

NOTE: All partners must use the referral process in the way prescribed to prevent possible legal challenge (which can happen throughout the life of the DPS) and the DPS being suspended or reducing its period of validity. It will also be the most effective way of gaining quality market information, benchmarking data and ensuring the outcomes framework is successfully embedded. Additionally, this will provide robust evidence to parents that the best possible placement for their child has been sourced and help reduce incidences of appeals and tribunals. It is more likely that matching children with suitable providers is maximised by consistently maintaining the process providers were qualified against.

## 9. **Contract Management Function**

- 9.1. Based on discussions with partners throughout the project, particularly given the experience of other partners working in current or past collaborative arrangements, it is agreed that central strategic management of the DPS and provider market is required to underpin the importance and reputation of the partnership/DPS, improve longevity and sustainability of the benefits possible, and respond positively to market and stakeholder (inc. parents and children) expectations.
- 9.2. Key objectives of this project are to improve outcomes, become a more intelligent commissioner, reduce running cost and create a robust, compliant and competitive environment to meet the Councils and child population needs; it is recommended that a strategic contract management function is formed.
- 9.3. There will be ongoing costs to the "Managing Authority" for the continued oversight of the DPS, including management of suspensions, contract variations, ongoing assessment and assurance of providers' capabilities and evaluation and on boarding of new providers. These annual costs will need to be met by all partners using the DPS and are detailed separately in the table in section 12 below.
- 9.4. Resources currently allocated in each Council only allow for reactive Quality Assurance activity when issues and concerns are at a heightened level.
- 9.5. By enabling a more efficient and effective use of Officer time and resource, the proposed regional DPS will create capacity for a shared quality assurance programme based on matrix risk assessment.
- 9.6. It is proposed that quality assurance is managed by a partnership agreement with the ability for localised intervention as and when required.
- 9.7. However, strategic contract and supplier management is most effectively delivered on a centralised basis, where the leverage and influence of the "client" will be at its greatest.

- 9.8. A centralised team takes away the SRM and Strategic Management process so that case workers, commissioners and other officers can concentrate on local issues and priorities and focus on placements which have individual needs at their core.
- 9.9. This business case is predicated on the basis of partners adhering to the process of referrals/mini-competitions to create good data and information on costs, activity, demand and outcomes. It is unlikely that a Strategic Contract Management function can be viable without this.
- 9.10. Equally the business case and SET project has always been aimed at facilitating collaboration and knowledge sharing. There is an appetite among the group to continue this. Without an effective strategic contract management function it is less likely this will continue and that partners will compete with each other – this may give an opportunity to the market to exploit partners.

## 10. **Scope of Centralised Contract management of DPS .**

- 10.1. Centralised management of overarching regional DPS will include the following elements:
- Management of bids and contract award for new suppliers throughout the life time of the RDPS.
  - Maintenance of all master logs related to the RDPS – including suspensions, reinstatements, Ofsted status, core fees.
  - Communications to all parties of matters concerning, and limited to, the RDPS.
  - Co-ordination, delivery and analysis of annual compliance checks.
  - Co-ordination and management of a RDPS steering group.
  - Co-ordination and management of a RDPS decision-making Board.
  - Co-ordination of data from all RDPS partners to provide a regional perspective and analysis to inform future developments and promote use of leverage of purchasing power.
  - Reporting to RDPS Board.
  - Representation and responses at a national level.
- 10.2. Centralised Contract management of providers awarded a place on a regional DPS will include the following:
- Core fee management and negotiation in relation to annual core fee reviews.
  - Recording and collating issues and concerns from RDPS partners regarding individual providers that may lead to action being taken.
  - Collating information and reports from RDPS partners following their own Quality Assurance visits to individual providers, to provide a centralised record available to all RDPS partners.
  - Addressing non-compliance (at a service level) matters.
  - Recipient of Ofsted secure lists and responsible for highlighting concerns to RDPS partners.

- Co-ordination of RDPS partners' response to a provider where an Ofsted inspection has resulted in a poor judgement, and/or the level of concern from issues raised by RDPS partners have reached an agreed threshold – to include visits by a team made up of relevant Officers from RDPS partners.
  - Co-ordination and oversight of Action Plans (as a result of poor Ofsted judgement and/or other significant concerns identified by several RDPS partners) for those providers identified and agreed as key for all RDPS partners.
  - SRM meetings with providers identified as key for all RDPS partners.
  - Co-ordination of scheduled monitoring visits, to a schedule as agreed by RDPS partners, which will include Officers from RDPS partners – to include a full report available to RDPS partners.
- 10.3. Functions **NOT** provided as part of the central contract management function of the Regional DPS
- Meeting and working with individual providers, as identified by a RDPS partner, to facilitate them joining the RDPS – any work with a provider that an individual RDPS partner wishes to encourage to submit a bid to join the RDPS, will be undertaken by that RDPS partner.
  - Communications to providers and others that concern and are related specifically to an individual RDPS partner, and are not related to the RDPS as a whole.
  - Involvement in any part of the referral or placement making process for individual placements on behalf of RDPS partners.
  - Negotiating fees for individual placements.
  - Monitoring and addressing concerns in respect of individual placements.
  - Attendance at Annual and/or LAC Reviews for individual placements.
  - Quality Assurance visits to providers on behalf of individual RDPS partners.
  - Co-ordination and oversight of an Action Plan or any other follow-up activity, as a result of a poor outcome of a Quality Assurance visit undertaken by a RDPS partner.

## 11. Social Value

- 11.1. In 2012, the Public Services (Social Value) Act placed a duty for all contract authorities to consider the desirable social, economic and environmental benefits that a procurement could deliver to local communities.
- 11.2. The DPS qualification process will look to examine a providers capability and experience of delivering such benefits, however as a DPS does not provide any commitment of volume or value and contracts with providers are formed only via individual placements, it is not feasible to include definitive requirements with providers to deliver social value. Coupled with the vast differences between types and sizes of providers across each category it will be impossible to create a common requirement. However the DPS will require providers to work with each Council and the partnership to bring community benefits via

added value during the contract management and partnership approach described in this business case.

- 11.3. In addition the outcomes framework will provide a mechanism to measure community outcomes which have resulted from placements.

## 12. Centralised Contract Management Costs

- 12.1. A review of required staffing levels to provide the effective level of centralised contract management described above has been undertaken. This review was based on current experience and knowledge of operating a DPS and Framework for a number of years and the two distinct markets that will need to be managed (NMISS and social care). The following cost and breakdown are proposed as the minimum required to deliver the function:

- 1 Hay B Grade FTE (two 0.5 fte) on the overarching management and responsibility of the DPS in respect of NMISS and social care, plus an additional:
- 2 x G12 Senior Contracts Officer
- 2 x G8 Contracts Officer
- .5 x G10 Business Data Analyst

- 12.2. Using the NJC 2017 salaries:

- 2 x 40,057
- 2 x 25,951
- .5 x 16,243
- 1 x 50,274 (Hay B)
- Total **indicative** cost pa = 198,533 + on-costs split between the participating partners

*Note: the DPS will be open to other local Authorities to join subject to a joining fee (to be agreed by all partners). These joining fees will be used to reduce the original joint partner's annual costs. New joiners will not have access to any central management activities.*

## 13. Procurement costs

- 13.1. It has been agreed that the lead Authority will incur a one off procurement costs in setting up the regional DPS and that these costs would be shared equally between the participating partners. WSCC as the potential lead has identified these costs which are outlined below:

	Approx. No of Days	Cost £
Development of ITT, Spec and Commercial Model	20	£ 40,000.00

Development of Terms	20	£	10,000.00
Upload of ITT and Project	2	£	700.00
Tender Period (inc. clarifications etc)	5	£	2,500.00
Assessment of Providers (Mandatory and Financial Checks)	20	£	20,000.00
Evaluation of responses			No cost as shared technical resource across partners
Award Notification	3	£	1,500.00
Feedback	7	£	5,000.00
Contract Arrangements	20	£	10,000.00
		£	89,700.00
			+ contingency of 10%
			£97,700.00

## 14. Benefit Realisation

- 14.1. Section 5 of this business case outlines the benefits of collaborative working across a regional DPS. However maximising benefit realisation for individual participating Authorities is not something that can be delivered remotely by a centralised contract management team or the lead Contracting Authority. The following sections explain the rationale on why each Authority will need to take ownership of any benefit realisation programme.
- 14.2. Realised benefits will fall into two categories, operational efficiencies and supplier cost reduction, both of which are subject to various local influences. It is therefore not possible to accurately predict the level of benefit realisation achieved for individual partners.
- 14.3. In considering operational efficiency and savings, it is important for partnering authorities to recognise that realising the savings will be predicated on the number of service "categories" adopted in the DPS, the level of standardisation of processes applied and any restructuring of internal resources (including procurement and contract management costs). All of these elements are managed by the individual partners and therefore they will need to produce their own benefit realisation plans for operational efficiencies as part of this business case assessment.
- 14.4. At the commencement of this project, it was suggested that there is potential for a 1% - 5% reduction in supplier costs that could be achieved through the application of dynamic market management and influence from a regional DPS. However it must be emphasised that there is a high level of risk in not achieving these savings and WSCC, as the author of

this business case, cannot guarantee that these savings will be achieved for each or any partner. Significant fluctuation in supply and demand, changes in legislation (such as the National Living Wage) and possible new entrants and exists in the market can all easily change pricing structures, which will have a knock on effect to any savings ambitions. It is therefore important that partners consider these dynamics when deciding whether to joining the regional DPS.

- 14.5. Subject to the caveats above, the benefits from a regional DPS are significant and partnering authorities should not base their assessment on whether to join the DPS purely on financial consideration alone. The benefits from collaborative sourcing, centralised management, and development should not be overlooked and the potential as a group to influence future government policy has significant reputational and operational benefits. These may be longer term objectives but they will help to influence the provider market and change organisational culture.

<b>Subject:</b>	<b>Progress update against Corporate Key Performance Indicators: Q2 2016/17</b>		
<b>Date of Meeting:</b>	<b>8 December 2016</b>		
<b>Report of:</b>	<b>Chief Executive</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Rima Desai</b>	<b>Tel: 01273 29-1268</b>
	<b>Email:</b>	<a href="mailto:rima.desai@brighton-hove.gov.uk">rima.desai@brighton-hove.gov.uk</a>	
<b>Ward(s) affected:</b>	<b>All</b>		

**1. PURPOSE OF REPORT**

- 1.1 To report performance progress for the period 1<sup>st</sup> April 2016 to 30<sup>th</sup> September 2016 (Quarter 2) in relation to Corporate Key Performance Indicators (KPIs).

**2. RECOMMENDATIONS:**

- 2.1 To 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.

**3 CONTEXT/ BACKGROUND INFORMATION**

- 3.1 There are two overarching documents:-

- **The City's Sustainable Community Strategy** – is owned by and the responsibility of Brighton & Hove Strategic Partnership, known as Brighton & Hove Connected, and the City Management Board.
- **BHCC Corporate Plan (2015-2019)** – this sets out the councils Purpose, Principles and Priorities.

Note that progress towards delivery of the 2015-19 Corporate Plan outcomes is evidenced by delivery of the Corporate KPI set and supported through the delivery of the Directorate Plans.

- 3.2 This report is a key part of Business Planning and Management, one of the components of the council's Performance Management Framework (PMF). There are eight component parts of the PMF, as shown in this diagram:



3.3 A summary of the 8 areas of the PMF is provided in the table below:

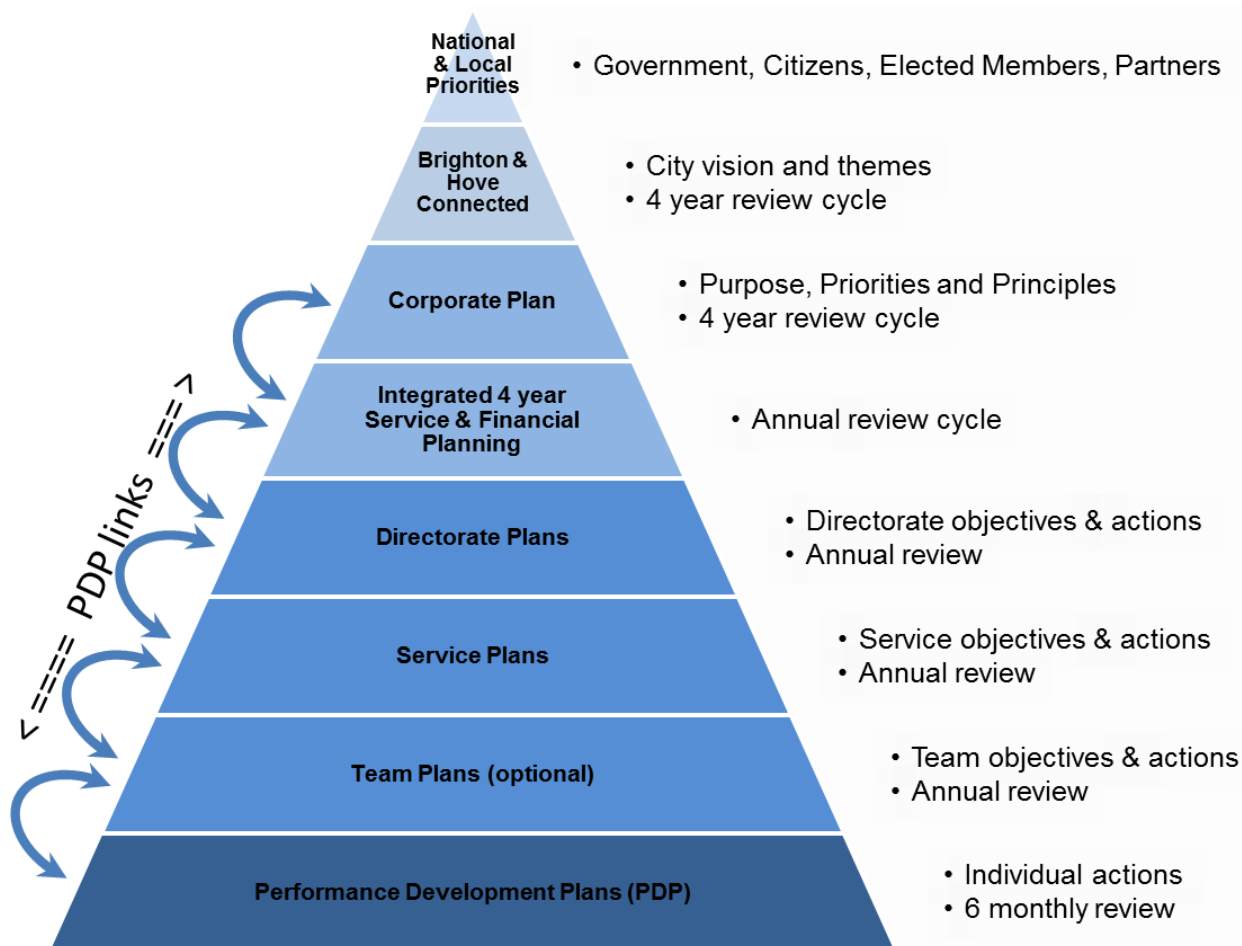
Component	Summary and Performance Management Approach
1 – Business planning and management	<ul style="list-style-type: none"> <li>• Plans are set at various levels               <ul style="list-style-type: none"> <li>○ the partnership plan “Sustainable Community Strategy”</li> <li>○ the council’s Corporate Plan</li> <li>○ directorate plans</li> <li>○ service plans</li> </ul> </li> <li>• ELT develop and agree a key indicator set mapped to these plans in consultation with Lead Members to track performance outcomes and receives quarterly performance update reports. Accountable Directors discuss corrective actions and ELT prioritises options.</li> <li>• Performance reports are reviewed at PR&amp;G twice a year and inform performance reporting to the City Management Board.</li> <li>• ELT monitors progress against Directorate Plans quarterly.</li> </ul>
2 – Risk management	<ul style="list-style-type: none"> <li>• Through understanding risks, decision-makers are better able to take actions to manage those risks and implement mitigating actions.</li> <li>• Strategic Risks are reviewed 6 monthly at ELT and reported to the Audit and Standards Committee throughout the year.</li> </ul>



Component	Summary and Performance Management Approach
	<ul style="list-style-type: none"> <li>• Citywide Risks are reviewed annually and managed by the relevant partnerships and feed into the Strategic Risk processes for council led risks.</li> <li>• Progress monitoring and reporting is managed through links to the directorate risk registers at DMT quarterly.</li> </ul>
3 – Financial management	<ul style="list-style-type: none"> <li>• The efficient and effective management of council funds to accomplish the objectives of the council.</li> <li>• Monthly reviews of actual income and expenditure for each budget area and comparing this with the allocated budget for each budget holder throughout the year (months 2 to 11) enables variances to be identified and corrective action taken where required.</li> <li>• Corporate Critical budgets are identified, Targeted Budget Management (TBM) are discussed at ELT monthly and corrective corporate or directorate actions developed. Progress is reported to ELT monthly.</li> </ul>
4 – Customer insight	<ul style="list-style-type: none"> <li>• Understanding how our customers and citizens see our services gives us useful information on ways we can improve our performance to deliver value.</li> <li>• The city tracker survey provides resident and user feedback on our services and analysis of our complaints, compliments and comments, along with internal contact volumes, contribute towards the annual Customer Insight Report and inform service improvements.</li> </ul>
5 – Modernisation, programmes and projects	<ul style="list-style-type: none"> <li>• Modernisation is the council’s portfolio of change management programmes/projects which supports delivery of the corporate purpose, principles and priorities. This in turn helps evidence the achievement of outcomes in relation to the council’s purpose.</li> <li>• Cross-party Modernisation Member Oversight Group - receives update report quarterly and provides support and challenge.</li> <li>• Corporate Modernisation Delivery Board - initiates and leads programmes and projects that are intended to achieve outcomes including cross-cutting programmes and projects. Chaired by the Chief Executive and consists of directors and other key officers of the council.</li> <li>• Directorate Modernisation Boards report to the Corporate Modernisation Delivery Board, and are set up to drive the programmes and projects forward and deliver outcomes and benefits.</li> <li>• Programme and Project Boards report to the Directorate Modernisation Boards, these are responsible for planning, set-up and management of programmes and projects.</li> </ul>

Component	Summary and Performance Management Approach
6 – People management	<ul style="list-style-type: none"> <li>• People are our most important asset and resource, and good managers make best use of our people to deliver value to our customers.</li> <li>• Elements of people management include: <ul style="list-style-type: none"> <li>○ Staff survey</li> <li>○ Our people data (workforce statistics)</li> <li>○ Workforce planning</li> <li>○ Organisational development</li> </ul> </li> <li>• Management across the council receive regular reports in relation to their staff (e.g. sickness data, completion of Performance Development Plans) to enable them to effectively plan service delivery and identify and resolve skill gaps to enable delivery of the corporate plan.</li> <li>• These are collated and presented to the DMTs and ELT on a quarterly basis to inform directorate wide improvements.</li> </ul>
7 – Health & safety management	<ul style="list-style-type: none"> <li>• Managing health and safety is about looking after our business, people and reputation.</li> <li>• Health and Safety Committee chaired by the Chief Executive are responsible for the development of health and safety policy for the council, monitoring performance on health and safety issues and ensuring that changes to legislation or regulations are implemented effectively.</li> </ul>
8 – Safeguarding Quality assurance	<ul style="list-style-type: none"> <li>• Quality assurance includes safeguarding vulnerable people by preventing mistakes and giving confidence that our processes are sound. Monitoring is through safeguarding audits and quality assurance reports that are reviewed quarterly by the relevant service at Service Management Team meetings. Local Safeguarding Children’s Broad and Adult’s Safeguarding Boards oversee quality assurance in relation to safeguarding.</li> </ul>

3.4 This report addresses component 1 – Business planning and management. The diagram below demonstrates the ‘Golden Thread’ that links the council’s purpose, principles and priorities through to customer-facing services, and how external factors influence these.



3.6 Key Performance Indicators are developed to evidence delivery of the Corporate Plan. The PDP process is intended to clarify individual staff contribution towards the achievement of the relevant Principles and Priorities within the Corporate Plan.

#### 4. Corporate Key Performance Indicators

4.1 The list of Corporate KPIs and their targets for 2016/17 were agreed by ELT in June 2016 in consultation with Lead Members. This continues the consistent approach across the organisation in relation to target setting by taking account of comparative information.

4.2 The overall performance achieved at Q2 against target is assigned a rating of Red, Amber or Green depending how far from target performance is.

4.3 Direction of travel for each KPI is also shown in Appendix 1. Each KPI is marked with 'improving', 'declining', or 'no change'. The method for determining each direction of travel is as follows:

- Where the indicator was reported last year the assessment is based on if performance has improved or worsened from the last reported period
- Trend indicators are shown as increasing or decreasing trend

4.4 Targets were set using the following criteria:

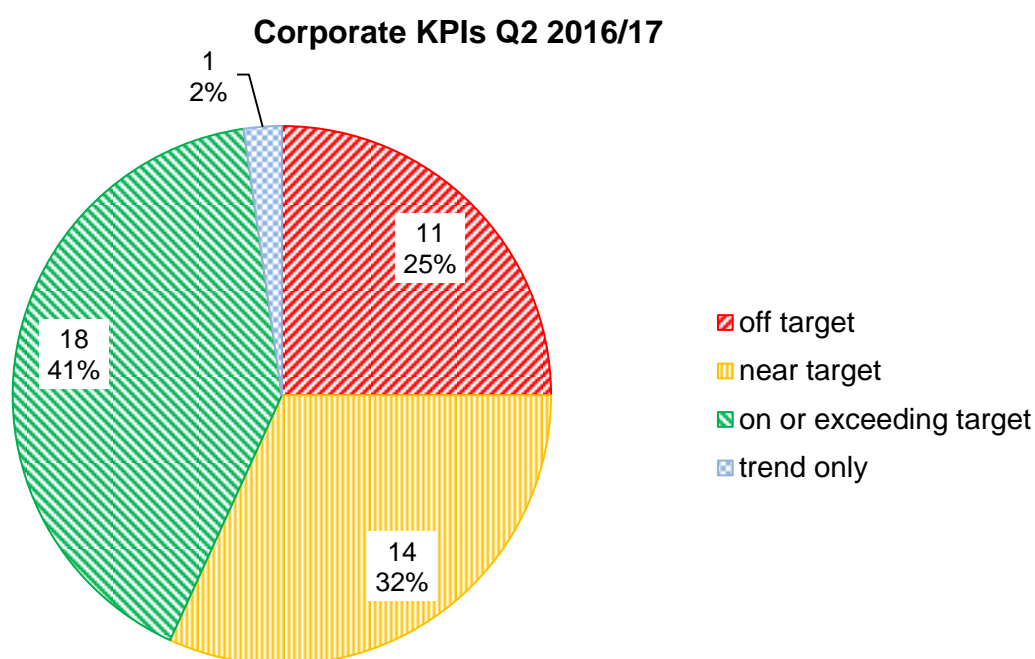
- To set the target (Green value), use the latest available benchmarking data e.g. statistical neighbour data, national data or any other comparable Local Authority data.

- Where performance is already better than benchmarking/comparable data, set an improvement target. Setting a target which is below the current performance level would go against the principle of continuous improvement
- Where no benchmarking data is available; if a national or a contractual target is available, that needs to be used. In the absence of this, a sound rationale needs to be explained for developing a target figure
- In exceptional circumstances, where resources are reducing or being reallocated, or there are significant external factors which will impact on performance, a maintenance or reduction target can be set. This needs to be clearly evidenced and agreed by ELT.

4.5 Indicators that are measured annually are not listed in this report.

4.6 The Corporate KPI set is made up of 84 indicators of which 40 are reported annually. Of the remaining 44 indicators, 1 is a trend indicator which does not have a RAG rating applied.

4.7 The chart and table below show the proportion of indicators that were rated as Red, Amber and Green for Q2 2016/17:



KPIs	Red	Amber	Green	Trend
Economy Environment & Culture	0	4	4	0
Families Children & Learning	3	4	4	0
Finance & Resources	2	1	1	0
Health & Adult Social Care	1	3	4	0
Neighbourhoods Communities & Housing	3	2	3	0
Strategy Governance & Law	2	0	2	1
<b>Total</b>	<b>11</b>	<b>14</b>	<b>18</b>	<b>1</b>

4.8 This represents an improvement of performance against target when compared with the same period last year. At Q2 2015/16 the Corporate KPI set were 38%

Green, 21% Amber and 32% Red. The 2015/16 KPI set also included 9% trend indicators.

4.9 Direction of travel of the KPIs as shown in Appendix 1 is as follows: 21 results improving, 6 showing no change, 16 declining, and 1 increasing trend KPI.

4.10 Below are some highlights from directorates where there has been significant improvement and/or good performance against target for 2016/17. These are achieved through the combined effort of staff throughout the organisation and from relevant partner organisations. Appendix 1 provides more information and context; the relevant page number in the Appendix is shown after each indicator

- ✓ Missed refuse collections per 100,000 population (page 3)
- ✓ Minor and Other Planning applications determined within 8 weeks or agreed time limit (page 6, page 7)
- ✓ Eligible two year olds taking up early education places (page 10)
- ✓ Percentage of children placed in foster care that are placed in-house (page 22)
- ✓ Percentage of invoices for commercial goods and services that were paid within 30 days (page 24)
- ✓ Permanent admissions of older adults (65+) to residential and nursing care homes per 100,000 population (page 28)
- ✓ Delayed transfers of care attributable to social care (page 30)

4.11 Below are some highlights from directorates where performance improvement is required. Appendix 1 provides more information on these including a summary of performance so far, the context for that service and a short summary of proposed actions to improve performance. Effective performance management ensures the right actions are taken at the right time so that the council can achieve its purpose through delivering the principles and priorities

- Missed recycling collections per 100,000 population (page 3)
- Government minimum standard for planning authorities not meeting national targets (page 5)
- Overall absence in maintained & academy primary & secondary schools (page 9)
- Average number of working days / shifts lost per Full Time Equivalent (FTE) due to sickness absence so far this year (not including schools) (page 25)
- Under 18 conception rate per 1000 women (page 35)
- Nitrogen Dioxide levels in Brighton and Hove ( $\mu\text{g}/\text{m}^3$  - micrograms per cubic meter): Lewes Road (page 37)
- Number of Stage 1 complaints received by corporate Customer Feedback Team (page 46)

## **5 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

5.1 Through consultation with ELT the Performance Management Framework currently in operation was deemed to be the most suitable model.

## **6 COMMUNITY ENGAGEMENT & CONSULTATION**

- 6.1 This is an internal performance reporting mechanism and as such no engagement or consultation has been undertaken in this regard.

## **7 CONCLUSION**

- 7.1 The council must ensure that it uses a robust Performance Management Framework to meet the challenges of delivering services in the financial context that local authorities are now working in.

## **8 FINANCIAL & OTHER IMPLICATIONS:**

### Financial Implications:

- 8.1 There are no direct financial implications arising from this report

*Finance Officer Consulted: Peter Francis*

*Date: 31/10/16*

### Legal Implications:

- 8.2 There are no legal implications arising from the report

*Lawyer Consulted:*

*Elizabeth Culbert*

*Date: 27/10/16*

### Equalities Implications:

- 8.3 An underlying principle of the Corporate Plan is that it focuses on the significant issues for the city, some of which are about tackling the inequality experienced by our residents.

## **SUPPORTING DOCUMENTATION**

### **Appendix 1: KPI scorecard Apr-Sep 2016/17**








## **Brighton & Hove City Council**

### **2016-17 Corporate KPIs - Quarter 2**

Period: Apr-16 - Sep-16

Report date: 10 November 2016

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
<b>2016-17 Economy Environment &amp; Culture - Quarterly (Corporate)</b>				
<b>The percentage of household waste sent for reuse, recycling and composting (3 month lag) [Corporate]</b>	%	<b>35.65</b>	<b>26.93</b>	 <b>Improving</b>

**Position:**

The indicator measures percentage of household waste arisings which have been sent by the Authority for reuse, recycling, composting or anaerobic digestion.

The target is was set using the 2014/15 Association of Public Service Excellence (APSE) neighbour average of 7 authorities.

26.9% is the provisional figure for Qtr 1 2016/17.

The result for the financial year 2015/16 was 24.6%. The annual trend for the result is:

2010/11 = 27.7%

2011/12 = 28.1%

2012/13 = 26.8%

2013/14 = 25.8%

2014/15 = 25.2%

2015/16 = 24.6%

The result has gradually decreased over the last 3 years from 26.8% in 2012/13, however this is the first quarter to show an increase.

The result for the same time last year (Q1 2015/16) is 25.5%.

The latest statistical neighbour comparator information available is for the financial year 2015/16. The following authorities listed are local authority neighbours as identified by the Association for Public Service Excellence (APSE). Blackburn with Darwen Borough Council (36.4%), Blackpool Borough Council (45.1%), Gateshead Metropolitan Borough Council (33.2%), Knowsley MBC (35.9%), London Borough of Havering (31.8%), North Tyneside Council (36.6%), Rotherham MBC (40.9%), Stockton-on-Tees Borough Council (25.7%).

BHCC (24.6%) are currently ranked 9th out of 9.

**Commentary:**


The garden waste scheme was launched in Q1 16/17 providing a citywide garden waste collection scheme at zero cost to the council. At Q2, approximately 4,200 households have signed up to the scheme diverting waste away from residual waste streams and into recycling. The full year effect of the garden waste scheme is estimated in increase recycling between 1% to 2%.

The street cleansing service redesign has enabled fly-tipped waste to be recorded and differentiated from residual waste streams. The effect of this is to reduce recorded residual waste streams and to properly record fly-tipped waste. In accordance with Environment, Transport & Sustainability (ETS) committee recommendations both Textile recycling and Enforcement commenced in Q1 16/17.

The Wheel bin for recycling trial produced a 3% increase in recycling rates within the trial area.

**Actions:**

1. With effect Q3 16/17, recycling of mechanical sweeper waste will commence with a full year effect 0.5% and 1% increase in recycling. (Head of Cityclean and Parks, December 2016)
2. Citywide wheel bin recycling business case to increase full year effect recycling rates upward of 3% to be presented to PR&G committee. (Head of Cityclean and Parks, December 2016)
3. During Q4 16/17 further marketing and comms for the Garden Waste service to take place in readiness for the 17/18 growing season. (Head of Cityclean and Parks, March 2017)
4. During Q4 16/17, a number of additional textile recycling banks to be rolled out to primary and secondary schools. (Head of Cityclean and Parks, March 2017)
5. Following ETS committee approval, mobile CCTV cameras are to be purchased during Q3 and used in flytipping hotspot areas. (Head of Cityclean and Parks, March 2017)

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
<b>Missed refuse collections per 100,000 population [Corporate]</b>	<b>No.</b>	<b>75.00</b>	<b>75.00</b>	 GREEN <b>Improving</b>

**Position:**

This is calculated as: Total Missed Collections/(Total Number of Expected Collections/100000).

The target was set using the APSE (Association for Public Service Excellence) authority family group average result for 2014/15.

The result is the total for April to September (Q1 and Q2) 2016/17. The quarterly trend for this result is:

April to June 2015 = 96 per 100,000

April to Sept 2015 = 91

April to Dec 2015 = 82

April 2015 to Mar 2016 = 79

April to Jun 2016 = 90

April to Sept 2016 = 75

Results before April 2015 are not available due to a change in how we measure this indicator.

The latest available comparator information is the APSE family group average for 2014/15 of 75 missed collections per 100,000.

**Commentary:**

Work with the Business Process improvement team and Customer First in a Digital Age programme was completed. This will enable our reporting process and procedures to improve the speed of non-collections being reported to the operational team.

Non collections may also include boxes not collected due to contamination.

**Actions:**

1. The number of missed bins will continue to be monitored and measures put in place to improve performance. One of the thirteen crews are responsible for nearly a quarter of all non-collections. Remedial action is underway and monitored weekly to improve these performance levels. (Head of Operations, weekly)

2. Performance reporting systems are being improved to monitor missed bins on a round by round basis to allow more effective performance management (Head of Cityclean and Parks, weekly).

3. ICT requirements to be discussed with the Customer First in a Digital Age (CFDA) team for operational missed collections. (Head of Cityclean and Parks, December 2016)

<b>Missed recycling collections per 100,000 population [Corporate]</b>	<b>No.</b>	<b>65.00</b>	<b>111.00</b>	 AMBER <b>Improving</b>
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**Position:**

This is calculated as: Total Missed Collections/(Total Number of Expected Collections/100000).

The target was set using the APSE (Association for Public Service Excellence) authority family group average result for 2014/15.

The result is the total for April to September (Q1 and Q2) 2016/17.

The quarter by quarter trend for this result is:

April to June 2015 = 115 per 100,000

April to Sept 2015 = 105

April to Dec 2015 = 104

April 2015 to Mar 2016 = 105

April to June 2016 = 128

April to Sept 2016 = 111

Results before April 2015 are not available due to a change in how we measure this indicator.

The latest available comparator information is the APSE family group average for 2014/15 of 65 missed collections per 100,000.

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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**Commentary:**

Work with the Business Process improvement team and Customer First in a Digital Age programme was completed. This will enable our reporting process and procedures to improve the speed of non-collections being reported to the operational team.

Non collections may also include boxes not collected due to contamination.

Current ICT (Acheive) does not enable correct reporting of non-justified missed collections beyond 24 hours.

**Actions:**

1. A business case on the rollout of wheelie bin recycling where a second bin can be accommodated to be taken to the October Environment Transport & Sustainability (ETS) committee. (Head of Cityclean and Parks, October 2016).
2. The number of missed bins will continue to be monitored and measures put in place to improve performance. Two of the eleven crews are responsible for nearly half of non-collections. Remedial action is underway and monitored weekly to improve these performance levels. (Head of Operations, weekly)
3. Performance reporting systems are being improved to monitor missed bins on a round by round basis to allow more effective performance management (Head of Cityclean and Parks, weekly).
4. ICT requirements to be discussed with the Customer First in a Digital Age (CFDA) team for operational missed collections. (Head of Cityclean and Parks, December 2016)

<b>Street and environmental cleanliness: Litter (Corporate)</b>	%	<b>4.14</b>	<b>4.83</b>	 AMBER <b>Declining</b>
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**Position:**

The indicator grades streets on the following scale for litter, detritus, graffiti and fly posting:

- Grade A – no litter or refuse
- Grade B – predominantly free of litter and refuse except for some small items
- Grade C – widespread distribution of litter and refuse, with minor accumulations
- Grade D – heavily littered, with significant accumulations.

The indicator measures the percentage of streets which fall below Grade B. The lower the score the better the performance.

The target was set using a 10% improvement target on the 2015/16 outturn. This is due to the 2014/15 comparator result not currently being available.

This result is for April to September (Q1 and Q2) 2016/17.

The result for Q2 was 5%, a significant improvement from the same time last year. The quarterly trend for this result is:

April to June 2015 = 8.1%

July to Sept 2015 = 7.1%

Oct to Dec 2015 = 5.6%

Jan to Mar 2016 = 4.6%

Apr to Jun 2016 = 4.1%

July to Sept 2016 = 5%

The latest comparator result used for the indicator is the APSE family group average for 2013/14 of 5.7%.

**Commentary**

The Q2 result of 5% demonstrates continuous improvement in the service following 2015 service redesign.

The new enforcement service was introduced in April and will bring about long term behavioral change on littering fly-tipping and fly posting.

The service redesign from 2015 which was implemented in Q1 16/17 has contributed to the improving level of performance through 4 new additional mechanical sweepers and 100 big belly bins becoming operational which has freed up resources to be used elsewhere within the street cleansing service.

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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Actions

1. Levels of litter will continue to be monitored (Head of Operations Cityclean- ongoing)
2. Four new mechanical street cleansing vehicles are have now been brought in to the service this year as part of the Street Cleansing service redesign by November 2016. (Fleet Manager)
3. We are also procuring a new pavement cleaning machine by November 2016. (Fleet Manager)

<b>Government minimum standard for Planning Authorities not meeting national targets (Corporate)</b>	%	<b>65.00</b>	<b>61.01</b>	 <b>Improving</b>
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Position:

This indicator measures the 24 month rolling average result for the percentage of Minor and Other application types being processed within 8 weeks, or agreed time limit via a planning performance agreement (PPA) or extension of time (EOT).

Only applications for householder developments and change of use are included under Other applications.

The target of 65% is 5% above the government minimum standard of 60%.

If the result goes below 60%, the authority is at risk of intervention from the planning inspectorate.

The 61% result is the average time to process the application types from October 2014 (month 1) to September 2016 (month 24). This represents a baseline figure, and the future trend of this result will be outlined here.

Please note that following the national return of the September 2016 figure at month 24, this 65% target will be revised to use the average result of the Chartered Institute of Public Finance and Accountancy (CIPFA) nearest statistical neighbours.

Commentary:

At month 24 we are at 61.01% for Minor and Other Applications of a 24 month rolling target of 60% at the end of September. This has been achieved by agreeing Extensions of Times on all applications that have gone beyond the statutory 8 week target and prioritising the applications that count towards the figures. Agreeing EOTs was one of the recommendations of the Planning Advisory PEER Report March 2016. However, this has been achieved by using a number of agency staff, overtime, working extra hours and prioritising work. The longer term sustainability of this must be questioned, together with the need to improve the customer experience, to implement income generating processes. The service has recently migrated its planning database, which has involved a number of staff in the department, a BPI review is scheduled for later in the year/early 2017, which will take staff away from the day to day job of processing planning applications but will provide greater efficiencies .

Actions:

- 1) Continue to monitor and implement action plan following the outcome of the PEER Review. (Head of Planning, December 2016)
- 2) Recruitment to address the backlog and meet the target of 65% by the end of December. (Planning Manager Applications, December 2016)

<b>Percentage of Major planning applications determined within 13 weeks or within agreed time limit (Corporate)</b>	%	<b>60.00</b>	<b>100.00</b>	 <b>No Change</b>
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Position:

The target of 60% is set nationally by DCLG (Department for Communities and Local Government).

The result for Apr 2016 to Sep 2016 was 100%, over-achieving the target by 40%. The year to date result for the same time last year was 72.73%, a 27.27% increase this year.

The result for Q2 (Jul to Sep) was 100.00%. The result for the same time last year was 33.33%. The result for this quarter is 40% over the 60% quarterly target.

The quarter by quarter trend for this result is:

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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April to June 2015 = 87.5%  
 July to Sept 2015 = 33.3%  
 Oct to Dec 2015 = 84.6%  
 Jan to Mar 2016 = 86.7%  
 Apr to Jun 2016 = 100%  
 July to Sept 2016 = 100%

The latest comparator result used for the indicator is the 2015/16 CIPFA nearest neighbour average result of 80.6%. At the year end Brighton & Hove (77%) ranked 12 of 16 authorities.

**Commentary:**

In addition to determining applications within statutory timescales, the service is continuing to make use of agreements on extensions of time and Planning Performance Agreements (PPAs) with applicants to significantly over achieve this target. The service is reviewing the charging model for PPA's to reduce the level of officer input into agreeing charges with applicants.

Managing the major applications continues to be a resource intensive activity and training on negotiating PPAs has been identified.

**Actions:**

1. Continue to monitor the service level weekly and manage performance. (Planning Manager Applications, December 2016)
2. Review the funding model for PPA's by December for approval in Fees and Charges at ETS committee. (Planning Manager Applications, March 2017)

<b>Percentage of Minor planning applications determined within 8 weeks or within agreed time limit (Corporate)</b>	<b>%</b>	<b>65.00</b>	<b>96.90</b>	 <b>Improving</b>
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**Position:**

The target of 65% is set nationally by DCLG (Department for Communities and Local Government). The result for Apr to Sept was 96.9%, over achieving the target by 31.9%. The April to Sept result for the same time last year was 29%, a 67.8% increase this year.

The result for July to Sept was 97.6%. The result for the same time last year was 29%, a 68.6% increase. The result for this quarter is 32.6% over the 65% quarterly target.

The quarter by quarter trend for this result is:

April to June 2015 = 38.7%  
 July to Sept 2015 = 19.8%  
 Oct to Dec 2015 = 28.6%  
 Jan to Mar 2016 = 60.5%  
 Apr to Jun 2016 = 79%  
 July to Sept 2016 = 97.6%

The latest comparator result used for the indicator is the 2015/16 financial year CIPFA nearest neighbour average result of 77.6%. At the year end Brighton & Hove (34%) ranked 16 of 16 authorities. 2016/17 performance to date shows significant improvement ahead of target.

**Commentary:**

There continues to be an improvement in the quarterly figures when compared to the previous quarter and a significant improvement when compared to the same quarter last year (29.00%). This reflects the success of negotiating Extensions of Time on applications prior to and following the Planning Advisory Service review in March 2016. The team have benefited from additional resource through temporary agency staff and from existing staff working extra hours and working overtime. During the quarter the on hand figure has gone up due to continued vacancies at the Principal Planning Officer level and the juggling of complex major applications and taking on board line management responsibilities as well as delegating decisions. Current risks include the viability of maintaining the current operating model, retention of temporary agency staff, the long term sustainability of staff working extra hours and overtime from both a staff/duty of care and a financial strain for the service.

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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Actions:

- 1) Continue to monitor and implement action plan following the outcome of the PEER Review. (Head of Planning, December 2016)
- 2) Recruitment to address the backlog and continue to meet the target of 65% by the end of December. (Planning Manager Applications, December 2016)

<b>Percentage of Other planning applications determined within 8 weeks or within agreed time limit (Corporate)</b>	%	<b>80.00</b>	<b>94.70</b>	 <b>Declining</b>
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Position:

The target of 80% is set nationally by DCLG (Department for Communities and Local Government). The result for the year to date (Apr to Sept) was 94.7% over achieving the target by 15%. The year end result for the same time last year was 31.4%, a 63.6% increase this year.

The result for Q2 (Jul to Sept) was 94.3%. The result for the same time last year was 20.2%, a 74.2% increase. The result for this quarter is 14.3% over the 80% quarterly target.

The quarter by quarter trend for this result is:

April to June 2015 = 44.3%

July to Sept 2015 = 20.2%

Oct to Dec 2015 = 22.2%

Jan to Mar 2016 = 58.9%

Apr to Jun 2016 = 99.8%

July to Sept 2016 = 94.3%

The latest comparator result used for the indicator is the 2015/16 financial year CIPFA nearest neighbour average result of 84.5%. At the year end Brighton & Hove (42%) ranked 16 of 16 authorities. 2016/17 performance to date shows significant improvement ahead of target.

Commentary:

There continues to be an improvement in the quarterly figures when compared to the previous quarter and a significant improvement when compared to the same quarter last year (20.17%). This reflects the success of negotiating Extensions of Time on applications prior to and following the Planning Advisory Service review in March 2016. The team have benefited from additional resource at the Assistant Planning Officer level and temporary agency staff. During the quarter the on hand figure has gone up due to continued vacancies at the Principal Planning Officer level and the juggling of complex major applications, taking on board line management responsibilities as well as delegating decisions. Current risks include the viability of maintaining the current operating model, retention temporary agency staff, the long term sustainability of staff working extra hours and overtime from both a staff/duty of care and a financial strain for the service.

Actions:

- 1) Continue to monitor and implement action plan following the outcome of the PEER Review. (Head of Planning, December 2016)
- 2) Recruitment to address the backlog and meet the target of 80%. (Planning Manager Applications, December 2016)

**2016-17 Families Children & Learning - Quarterly (Corporate)**

<b>Schools judged to be good or outstanding by OFSTED [Corporate]</b>	%	<b>86.00</b>	<b>86.10</b>	 <b>No Change</b>
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Position:

As at the end of September 2016 86.1% of schools in Brighton and Hove were judged to be good or outstanding. There has been a change from the previous quarter. One school was inspected and has

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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moved up to 'good'. Below is a breakdown by school type and comparison figures for England from Ofsted as at the end of March 2016.

All schools: 86.1% good or outstanding (England 86%)

Nursery: 100% good or outstanding (England 99%)

Primary: 88.5% good or outstanding (England 87%)

Secondary: 60% good or outstanding (England 76%)

Special: 100% good or outstanding (England 93%)

Pupil Referral Units: 100% good or outstanding (England 85%)

Colleges: 100% good or outstanding. Please note this is not included in the overall figure.

In Brighton & Hove the percentage of pupils in good or outstanding schools is 92.2% in primary and 62.6% secondary schools. The percentage of pupils in good or outstanding schools median for 152 local authorities in England was 86% for primary and 79% for secondary schools as at the end of August 2015 from Ofsted. There are no schools in the city judged to be inadequate.

The number of children in good or outstanding schools is:

Nursery 175

Primary schools 17,933

Secondary schools 7,552

Special schools 429

Pupil Referral Units 81

Therefore the total number of children in good or outstanding schools citywide is 26,170 out of 32,190 (81.3%).

#### Commentary

The current figure given inspections in the last week is that 91% of primary schools in Brighton and Hove are good or outstanding. The figure of the number of overall children is effected by the RI judgement for Cardinal Newman which is by far the largest secondary school in the city. There are no schools that are judged as inadequate in the city although 2 schools would be highlighted as being vulnerable for this judgement at their next inspection.

At this point the city has the highest number of pupils it has ever had in good or outstanding schools. The challenge is that the new Ofsted September 2016 inspection Framework has changed the criteria against which the schools are judged. Given the focus on three key groups: Disadvantaged, high prior attainment and high prior attainment disadvantaged, a desk top exercise by the Standards and Achievement Team has identified 2 schools at risk of becoming 'Inadequate' and schools at risk of moving from 'good' to 'requires Improvement'. Intervention work is being undertaken to address this.

The performance is a reflection of the strong partnership working between the schools and between schools and the LA. Each school is categorised according to historic performance and a programme of intervention is devised to improve outcomes in each school.

The challenges faced by the Standards and Achievement service are: the DfE white paper which has explicitly stated that it does not see an LA role in school improvement; the impact of cuts in funding both in the LA and in schools; the academy agenda which means schools are potentially considering forming or joining Multi Academy Trusts.

#### Actions

1. A new 'schools at a glance proforma has been created by the standards and Achievement Team to enable schools, governors and professionals to easily access information on pupil outcomes to inform interventions, measure impact and to prepare narratives for inspection. (Standards and Achievement Team, Autumn 2016);



INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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2. A categorisation meeting is being held with the new Ofsted September 2016 Inspection Framework in mind. Desk top analysis has enable the team to identify vulnerable schools and to intervene with appropriate support and challenge in each to improve and maintain standards. (Standards and Achievement Team, Autumn Term 2016)

<b>Overall absence in maintained &amp; academy primary &amp; secondary schools (Corporate)</b>	%	<b>4.60</b>	<b>5.00</b>	 RED <b>Declining</b>
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#### Position

As of the end of Summer Term 2016 Brighton and Hove overall absence rate was 5%. Pupils absent during the 2015-16 academic year missed on average 18 sessions or 9 days of school. This is slightly above the 2014/15 Brighton and Hove absence rate of 4.9%. It is higher than both the national absence and that of our statistical neighbours 2014/15 rate of 4.6%, the current target.

For the 5 half terms up until summer half term then the overall absence rate was 4.8%. The year-end rate of 5% is a direct result of schools allowing students to have study leave.

As of the end of summer Term 2016 Brighton and Hove persistent absence rate was 11.56%. 3179 students during this period were persistently absent, missing more than 38 of available sessions or 19 days. This is better than the 2014/15 Brighton and Hove persistent absence rate of 11.8%. It is slightly above both the national rate and that of our statistical neighbours 2014/15 rate, both 11%.

#### Overall absence: 2015/16 trend

Primary - Q1 4.03%, Q2 4.13%

Secondary - Q1 5.67%, Q2 6.5%

Special Schools - Q1 11.8%, Q2 11.8%

Pupil referral Unit - Q1 31.9%, Q2 32.2%

#### Overall absence: 2014/15 annuals

Primary - BHCC 4.1%, National 4.0%

Secondary - BHCC 5.8%, National 5.3%

Special Schools - BHCC 11.4%, National 9.4%

Pupil referral Unit BHCC 29.4%, National 31.5%

#### Persistent absence: 2015/16 trend

Primary - Q1 8.5%, Q2 8.3%

Secondary - Q1 13.3%, Q2 16.3%

Special Schools - Q1 35.4%, Q2 31.2%

Pupil referral Unit - Q1 65.3%, Q2 69%

#### Persistent absence: 2014/15 annuals

Primary - BHCC 8.6%, National 8.4%

Secondary - BHCC 15.7%, National 13.8%

Special Schools - BHCC 31.1%, National 27.5%

Pupil referral Unit - BHCC 66.7%, National 70.6%

#### Commentary:

The Access to Education team has looked into possible reasons for the increase in absence over the summer term, but it seems likely this is due to the use of absence codes by secondary schools with reference to year 11 (Y11) pupils who are taking GCSEs. This matter will be addressed for future Y11s.

Schools continue to use the School Attendance Toolkit and Code of Conduct to improve their practice. There have been in excess of 250 interviews under caution (IUC) where fines have not been paid in accordance with DfE guidance; the majority of these have led to payment being agreed, unless

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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financial hardship was identified. This is an important part of work to signal an early warning to parents before proceeding to prosecution.

The team have worked consistently hard to reduce persistent absence with the added challenge of the PA threshold changing from 15% to 10% threshold. This is done through targeted work with schools with Persistent Absence (PA) 95% and under to offer up to 12 week consultative work from team members. Reports have also been developed to include disadvantaged pupils such as those with SEN and FSM eligibility. An initiative has also been introduced targeting vulnerable pupils; Every School Day Matters – ‘Missing School, Missing Out!’ This will be reviewed in the spring term.

The majority of schools attend the cluster meetings on attendance supported by the LA to share and develop good practice and analyse data information. All the schools RAG rated as Red (95% or below) do attend as well as receiving intensive support. We will continue to encourage the few schools that do not participate to become involved to share good practice, although this number is reducing each term.

Intensive support is also offered to special schools. This has led to improved practice and Special schools are now using the fixed penalty process to improve school attendance.

The fixed penalty notices (FPN) guidance for term time holidays and for low attendance continues to be used by schools and issued by the Access to Education team. If there is a change in government guidance following a recent case, which is a possibility, then schools will be unable to use this in the same way, which would lead to a lowering of FPNs issued.

The access to education team will continue to offer:

- Teacher training/governor training on adopting a whole school approach to school attendance.
- Regular updates on data relating to schools providing a 3-5 year trend data to support Ofsted visits and meetings.
- Data presentation at both the Behaviour and Attendance Partnership and to the Standards and Achievement team.

#### Actions

1. Target work to primary, secondary and special schools that are below 95% persistent absence levels, assessing specific issues and developing action plans to address specific school needs. (Access to Education manager- ongoing)
2. Continue to develop reports to monitor vulnerable pupil group attendance. (Performance analyst- ongoing)
3. Every School Day Matters – Missing School, Missing Out! Follow up Conference Spring 2017- date tbc with ITF. (Access to Education Manager- February 2017)

<b>Eligible two year olds taking up early education places (Corporate)</b>	<b>%</b>	<b>84.00</b>	<b>88.10</b>	 <b>GREEN</b>
				<b>Improving</b>

#### Position

At the end of August 2016, 721 two year old children had taken up their Early Years Free Entitlement (EYFE) in Brighton & Hove, i.e. 88.1% of the Department for Education (DfE) eligible number (including those eligible who were LAC/adopted/disabled). The DfE estimated that the number of eligible two year olds living in the city for the summer term 2015 was 818\*. (\*Note that this number includes 12 mobile travellers using Friends and Families’ address in Brighton for benefit claims but who are not necessarily living in the city).

The DfE’s most recently published data is from the January 2016 census. In Brighton & Hove 88% of eligible two year olds take up a free childcare place which put us seventh out of 152 local authorities. The national average was 68% and the south east average was 69%. Children have also been able to access provision at high quality settings. At August 2016 98.6%\* of funded two year olds attended a

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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setting which was rated good or outstanding by Ofsted, compared with 75 per cent nationally. (\*Excluding children attending a setting not yet inspected by Ofsted).

The Council's children's centre nurseries have been particularly successful in providing EYFE for two year olds; at August 2016 they provided for 108 children. In addition there were 61 children at other maintained settings.

The target for 2016/17 has been set at 84% which is an increase from 2015/16 but less than the performance last year which was exceptional. The new target is significantly above the national average 68% and south east average of 69%. A higher target would not be appropriate because there are significant legislative changes in the childcare market planned over the next year including the introduction of a new national funding model from April 2017 and the introduction of 30 hours of free childcare for three and four year olds with working parents which may lead to fragility in the sector over the next year and beyond. The DfE's aspiration is for 73% to 77% take-up.

The current position of 88.1% is higher than 87.9% achieved in the equivalent quarter last year.

#### Commentary

The Early Years and Childcare team and the Family Information Service continue to review and improve data collection to find out early in the term whether and where a child is taking up their Early Years Free Entitlement (EYFE). The team use housing benefit data with its enhanced contact details to match with the Department for Work and Pensions list; this makes working with parents more effective. As with previous terms there is no evidence to suggest that there is a shortage of places in any area and places seem to be available throughout the city. However sometimes parents prefer to wait for a place at their preferred provider to become available, rather than to have their child attend a different provider.

The Early Years and Childcare team has worked extensively with childcare providers and now have more than 90% of setting-based childcare providers offering EYFE which means that parents can attend a setting of their choice. In addition 40 child-minders are able to offer places under the scheme. The team continue to promote the scheme through new publicity materials. There is a new database for managing parent applications which should help monitoring take-up in particular areas of the city. The process for ensuring that Children in Care are taking up their entitlement has been streamlined.

#### Actions

1. Continue to monitor take-up and support parents to access childcare where not yet taking up a place, using the new Synergy database. (Childcare Strategy Manager - Free Entitlement, Dec 16)
2. Continue to embed process for ensuring that Children in Care take up their entitlement (Childcare Strategy Manager - Free Entitlement, Dec 16)
3. Develop strategy for additional 15 hours free childcare for three and four year olds of working parents which does not impact upon the availability of places for two year olds (Childcare Strategy Manager – Free Entitlement, Mar 17)

**Stronger Families Stronger Communities**  
**[SFSC] families 'turned around' (Phase 2)**  
**[Corporate]**

No.

80.00

77.00



Improving

#### Position:

77 families have been successfully identified as turned around up until September 2016. 45 of these families were successfully identified as turned around between July and September. The identification of these all of these families has been verified by the Internal Audit process and the payment by results claim has been submitted.

The target of 80 families works toward an annual target of 390 families (the maximum payment by results number that Brighton & Hove can claim from the Troubled Families Programme in 2016/17) 21 of the claims came from Integrated Team for Families led cases, 6 from other BHCC teams and 18

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from Community and Voluntary Service partners. 2 of the claims were for Continuous Employment, and 43 were for "sustained and significant progress" in other areas. No national benchmarking data has been released so there is no comparative information as yet.


**Commentary:**

The programme is close to the target for Q2 of this year. The remaining two quarters have high target numbers for claims and it is unlikely these will be reached with a projected turned around rate of 32% of the total engaged number of 390 for 2016/17. At a recent Troubled Families south east regional meeting it was suggested by LA partners that a realistic average success rate in Phase 2 of the programme was 30-40%. The Troubled Families programme has not agreed to release statistics on LA claim rates so this remains anecdotal.

The Stronger Families Stronger Communities (SFSC) programme will continue to explore and expand as wide a range of interventions as possible in order to maximise the claim income for the final claim period in March 2017.

**Action:**

1. Work with the health visiting provider on access to the families accessing the two more targeted intervention levels in order to make claims for successful outcomes. (31/12/16, SFSC Programme Manager)
2. Go live with the early help data system to provide more streamline data and support the identification and monitoring of eligible cases. (30/11/16, SFSC Programme Manager)

<b>Young people aged 16 – 18 who are Not in Education, Employment or Training [Quarterly YTD excluding September and October] (Corporate)</b>	%	<b>4.50</b>	<b>4.90</b>	 <b>Declining</b>
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**Position:**

An average of 4.9% of young people aged between 16 and 19 were not in education, employment or training (NEET) up until September 2016 (Note: September and October are excluded from the year to date figure because they are not statistically accurate). Performance is below the annual target for 16 to 19 year olds, which is 4.5%. 4.5% was set as a slight improvement target on 2015/16 performance. However this figure is roughly in line with position at the same point last year which was 5%.

The figure above for 16 – 19 NEET is approximate, but is thought to be quite accurate. The DfE have changed how NEET is reported (Please see below), therefore some information used to calculate 16 - 19 NEET is based on statistical modeling. It is proposed this KPI is revised before Q3 to bring it in line with the new definition. The target will be revised in line with the newly defined measure for NEET.

**DfE changes to NEET recording**

- From September 2016 LAs will no longer be required to report on young people academic age 18 year olds. The DfE will continue to publish quarterly LA participation statistics, annual LA NEET statistics and an annual LA NEET Scorecard for academic age 16 and 17 year olds.
- Alongside this change, the DfE have introduced (with effect from September) a new combined performance measure to focus on reducing the proportion of young people whose activity is recorded as 'not known' as well as those who are NEET. The new measure will be calculated by adding the proportion of young people NEET in each area to the proportion whose activity is recorded as not known.
- This new measure will replace the previous 'adjusted' NEET figure and indicate how well an LA is performing at both tracking young people and managing the proportion who are NEET. In future LAs will be held to account based on their comparative performance on this new measure and the participation figure for academic age 16 and 17 year olds. It will give a more accurate picture of LA performance in tracking and support for young people and would mean that low NEET figures could not

be masked by high levels of 'not knowns'.

Using the new measure, 4.1% of young people aged 16 and 17, were not in education, employment or training up until September 2016. This is a 0.1% improvement on the same period 2015/16 (4.2%) and a substantial improvement on this period 2014/15 (5.7%). Using the same methodology as the 16 – 19 NEET figure, the target for 16 – 17 NEET would be 3.5%. As with 16 – 19 NEET this is better than current performance, but better than the same point last year. BHCC NEET % is higher than the South East, England and our statistical neighbours however a very low number of unknowns in Brighton & Hove impacts on this figure – this can be seen when comparing as a combined NEET & Not Known %, B&H perform very well against their statistical neighbours.

BHCC NEET (academic age 16-17 yo) - historical data (ytd)

2014/15:	Q1 (5.5%)	Q2 (5.7%)
2015/16:	Q1 (3.8%)	Q2 (4.2%)
2016/17:	Q1 (3.9%)	Q2 (4.1%)

NEET comparative data Q2 (ytd)

BHCC:	4.1%
Stat Neighbour:	3.6%
South East:	2.6%
England :	3.1%

The number of young people whose situation is 'not known' to the local authority has remained the same as Q1 but has improved on the same period 2015/16. We perform substantially better than our statistical neighbours and nationally.

BHCC Not Known (academic age 16-17 yo) - historical data (ytd)

2014/15:	Q1 (1.8%)	Q2 (1.7%)
2015/16:	Q1 (1.1%)	Q2 (1.7%)
2016/17:	Q1 (1.3%)	Q2 (1.3%)

Not Known (academic age 16-17 yo) - comparative data Q2 (ytd)

BHCC:	1.3%
Stat Neighbour:	5.2%
South East:	4.8%
England :	4.9%

Between July and September 2016 the NEET & Not Known combined figure (academic age 16&17 yo) is 5.4% (ytd), 1% higher than the same period 2015/16 (5.3%). To compare BHCC NEET & NK to the South East and England as a ytd average, data is taken from the published LA Tables. BHCC compare very favourably to South East and England and continue to perform better than our statistical neighbours.

BHCC NEET & Not Known (academic age 16&17yo) combined historical data (ytd)

2014/15:	Q1: (7.3%)	Q2: (7.4%)
2015/16:	Q1: (4.7%)	Q2: (5.3%)
2016/17:	Q1: (5.3%)	Q2: (5.4%)

NEET & Not Known (academic age 16&17 yo) combined comparative data Q2 (ytd)

BHCC:	5.4%
Stat Neighbour:	9.0%
South East:	7.4%
England:	8.0%

July and August official NEET data looked at academic age Yr12-14 (16-18 yo), official data for

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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September 2016 reports only on academic age 16 & 17 yo. The data for Q2 has been manually calculated in order to provide comparable data.

Note: Q2 & Q3 data is statistically unreliable. The current activity of all young people in education becomes 'unknown' at the end of the academic year. Local authorities are tasked with tracking and confirming the destination of all young people academic age 16-17. Sep & Oct figure is excluded from the ytd calculations.

In real number terms at the end of Q2 there are an average of 178 NEET young people academic age 16-17, of which 67 are academic age 16; 111 academic age 17. 42 (23.6%) are not available to the labour market (ie young carers, teenage parent, pregnancy, illness); at the end of Q2 30 (16.8%) of the 16-17 year old NEET cohort are vulnerable young people (looked after children, care leaver, supervised by YOS). 25 (14.0%) of the NEET cohort (academic age 16-17) are currently SEND.

A total of 145 (academic age 16-18 yo) NEET referrals were received July to September, of which 64% (93) are academic age 16-17 yo; 48 self-referred or parent/carer referral, or attendance at YES drop-ins; 46 Year 11 & Year 12 transition (at risk of NEET); YES tracking of unknowns identified 30 as NEET; Early Help/ITF/YOS/SEN referred a total of 21.

Of the 16-18 (academic age Year 12-14) NEET cohort, 140 young people left NEET into EET in Q2; 68 were placed into an opportunity with learning; 5 placed into an apprenticeship and 22 were placed into traineeships and re-engagement activities by YES. 43 of this group left the NEET cohort into employment without training.

#### Commentary

YES offer early intervention to prevent NEET and to support NEET young people into education, employment or training. Local authorities are no longer required to track or report on young people academic age 18 however in B&H the decision has been made to continue to track this cohort in order to identify vulnerable young people and to offer support. However the new priority focus for YES will be to support 16 & 17 year old NEET who are not meeting the duty to participate (under RPA) and to encourage them into education, employment or training. YES is a voluntary service and young people can decline support, they are encouraged to take up this offer however there are a number of young people who choose not to access help until they are ready, if at all. This cohort are followed up monthly to confirm any changes in their situation.

There was a rise in the number identified as NEET between July and September as a result of year 11 and year 12 leavers who chose not to continue in learning or where there was no appropriate provision, for example seeking an apprenticeship but unable to find a suitable employer. YES advisers follow up all young people who have not enrolled in learning to offer support.

The co-location of YES within Regency Road and adolescent services has resulted in a steady increase in referrals from YOS, RUOK and Adolescent Service. This co-location is working very well for both young people and professionals. A strengthening of links with the Virtual School and Leaving Care has resulted in an improved offer of support for looked after children and care leavers who are NEET, at risk of NEET or not meeting the duty to participate under RPA (16&17 yo). It has been agreed that YES will continue to offer IAG support to care leavers (resident in Brighton & Hove) up to the age of 21 (25 if SEND).

SEN/LDD advisers are no longer recording interventions on the Aspire database and this is creating a gap in information about young people with SEND and NEET referrals are not being made in sufficient time for early intervention. This is being addressed.


In Brighton & Hove YES fulfil the DfE requirement to track young people resident in the City whose current situation is unknown. In addition to tracking the unknowns, between July and September advisers follow up 16 & 17 year olds who have not received an offer of learning under the September

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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Guarantee. This activity is key to NEET prevention. Early intervention by YES has reduced the numbers who might otherwise have been NEET in September.

Actions:

1. Continue to develop and improve relations with other services to support NEET young people (Virtual School, Leaving Care, Adolescent Service, SEND). (YES Practice Manager, ongoing)
2. Develop Brighton & Hove response to the new changes in the DfE requirements from September 2016. (YES Practice Manager, YES Performance Analyst, Head of Skills & Employment, ongoing)
3. Maintain team performance. (YES Practice Manager, Performance Analyst, ongoing)
4. Continue to support the local authority to meet DfE statutory requirements (tracking, Year 11 Intended Destinations, Year 11 & 12 September Guarantee, Year 11 Annual Activity Survey, early leaver follow up) (Performance Analyst, Practice Manager, ongoing)

<b>First time entrants (FTE) to the youth justice system (Corporate)</b>	<b>No.</b>	<b>25.00</b>	<b>20.00</b>	 GREEN <b>No change</b>
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Position

There have been 20 first time entrants (FTE) to the Youth Justice System between April 2016 and September 2016. There were 10 FTE between 1st July and 30th September 2016; 6 via court and 4 out of court disposals. This in line with 10 FTE recorded over the the previous quarter and down from 15 recorded in July to Sept 2015-16. Of the 10 young people, nine were male and one was female and none were looked after. This data became available on 6th October 2016.

The target of 25 up until September 2016 works towards the annual target of 50. Given that the 2015/16 figure (51) is similar to the 2014/15 figure (49), and the fact that it is significantly better than the national and regional average, there is an assumption that the figure has flat lined and the aim is to maintain this low figure for 2016/17.

There were 48 FTEs during the year ending 30th September 2016, down from 56 from the previous 12 months and below the 2016/17 target of 50.

Brighton and Hove's FTE rate for the year ending 31st March 2016 is 250 per 100,000, below the national rate of 357 per 100,000 and the regional rate of 297 per 100,000. Brighton and Hove are among one of the high performing YOTs nationally in terms of low FTE rate, and is ranked 16th lowest out of 138 YOTs for the year ending 31st March 2016.


Commentary

It is significant that the YOS has continued to improve on this already low FTE rate. This continues to be as a result of the good joint working between the YOS and the police.

YOS prevention and Court Officers continue to identify potential pre-court diversion cases at the point of initial court hearing, with the view to divert potential cases back to the police for consideration of pre-court disposals. However, we continue to see a significant number have entered the criminal justice system through the court process rather than the pre court. In looking at the cases it seems to be in circumstance where young people have denied the charge and therefore pre-court disposal is not possible. We are continuing to monitor in court and consider with any change of plea if a pre court disposal could be offered. However in this quarter 6 of the FTE's came via court, indicating that further work needs to be undertaken in court by the court officer if a young person changes their plea.

Work is continuing with the police to develop a pre charge panel, it is anticipated that this might address some of these issues as work will be undertake with defence solicitors and CPS.

Brighton and Hove YOS continues to have one of the lowest FTE rates in the county.

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
Actions				
1. Maintain data flow between YOS and Police (Service Manager, on-going)				
2. Develop youth caution panels with Sussex police. (Operations Manager, on-going)				
<b>Percentage of re-referrals to Children's Social Care Multi-Agency Safeguarding Hub and Assessment Centre (MASH) (Corporate)</b>	<b>%</b>	<b>21.00</b>	<b>24.00</b>	 <b>Declining</b>

#### Position

This indicator has been affected by the change in definition of a referral. The change in definition, made as of August 2015, means that referrals that outcome to no further action or redirected to Early Help are no longer counted as referrals, this has more than halved the number of referrals recorded and had a significant impact upon the re-referral indicator. In quarter 1 2015 the percentage of referrals within 12 months of a previous referral using the old definition was 36% using the new definition this has dropped to 18% in the same period. The changed definition of a referral brings results in line with other Local Authorities who have MASH's and to avoid double counting.

The rolling year (the last 12 months) re-referral rate (a referral within 12 months of a previous referral) was 24% for the year ending September 2016, above the 2016/17 target of 21%

The 2016/17 re-referral target is based the national average. The statistical neighbour average for 2014/15 was 24%.

There has been a small but steady increase in the percentage and total number of re-referrals over the year from 19% or 630 of the 3362 referrals received in the year ending October 2015, to 24% or 755 of the 3176 referrals received in the year ending September 2016.

Of the 276 referrals received in June 2016 60 or 22% were re-referrals.

#### Commentary:

Deprivation is a key factor to the level of referrals. The City is relatively deprived, ranked 66th out of 324 local authorities (unitary or district local authorities) in England. There are marked differences in levels of deprivation between Brighton and Hove and the South East. Over half of the residents of Brighton and Hove (56%) live in the 40% most deprived areas in England (2008 population).

Conversely, only 3% of the city's population live in the 20% least deprived areas in England, compared to 38% of the population of the South East with only 6% in the most deprived.

Deprivation and inequality impact on the children in our city and, in 2012, 17.4% of the total population of children and young people under the age of twenty in the city were living in families on less than 60% of median national income. This is lower than the England average (18.6%) but significantly greater than the South East regional average of 13.5% and is ranked 90th out of 152 Local Authorities (county or unitary authorities).

Re-referral rates have been affected by improvements in referral pathways and a change in recording practices regarding referrals. Additionally the agency partners within the MASH have been working within their respective services to promote active and informed use of the threshold document and positively challenging poor quality referrals. Audit activity reveals that the quality of referrals is improving but this is a matter that requires vigilance and constant attention.

There exists an acknowledged default for some agencies to refer to the MASH as opposed to the Early Help Hub and a number of factors have been found to influence this decision, work with these partners remains in progress. The impact of the Early Help Hub on reducing re-referrals to the MASH in the longer term has been the subject of a multi-agency (Local Safeguarding Children Board) LSCB audit and Business Performance Improvement exercise. Additionally under the new leads for the service an Early Help scoping exercise is currently underway to audit and quality assure progress for Early Help to demonstrate that it is reducing demand through to social work.



INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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A policy has been implemented that all re-referrals will return to the social work pod from where they were previously closed (within the last previous 12 months). This enables the review of pods that have the highest re-referral rates for quality of practice and decision making.

Actions:

1. The joint MASH and Early Help Hub LSCB Audit regarding interface and service delivery to vulnerable families was publicised in June 2016. Actions to be reviewed by new service leads for Early Help and strategy to be formulated (Head of Service, Nov 16).
2. Step down to Early Help procedures and practices is currently being reviewed alongside corresponding changes being made to the Early Help Hub – this is to be informed by the findings of Early Help scoping exercise. (Head of Service, Jan 17,).
3. The advent of MASH Protects has meant that we no longer automatically count a referral classed as Early Help as a referral to children’s social work will continue to be monitored and regular audit is reviewing as to whether threshold is correctly being applied. (Head of Service – ongoing review via monthly audit).
4. Heads of Service for the Hubs are reviewing the re-referral rates to the individual pods with Pod Managers to assess as to whether further learning and development is required at a more local level to address issues that arise in families to prevent further referral to the service. (HoS – Jan 2017).

<b>Children who were the subject of a child protection plan [Corporate]</b>	<b>No.</b>	<b>295.00</b>	<b>387.00</b>	 RED
				<b>Declining</b>

Position:

There are 387 children subject of a child protection plan as at 30th September 2016. This data became available on 6th October 2016. The number is up from 382 at 30th June 2016 but down from 410 at 30th September 2015. The target of 295 is based the average for our 10 nearest authorities in terms of contextual factors based on Public Health analysis of deprivation, alcohol, drugs and mental health. Figures from the South East Regional Benchmarking group show that the South East average rate per 10,000 children has fallen slightly from 47.2 in Q1 2015-16 to 46.7 in Q1 2016-17.

The rate of children subject of a child protection plan per 10,000 children is 75.9 at 30th September 2016, above the 2014/15 national average of 42.9, the statistical neighbour average of 42.1 and contextual neighbour average of 57.9. Brighton and Hove’s rate per 10,000 at 31st March 2015 was 60.6 and was ranked 25th highest out of 152 local authorities in England.

95 children became subject of a child protection plan in the last three months, down from 104 in the previous three months and from 126 in quarter 2 2015/16. 90 children ceased to be subject of a child protection plan in the last three months, down from 114 in the previous three months and from 97 in quarter 2 2015/16.

23% of children subject of a child protection plan at 30th September 2016 were not White British, down from 23.6% at June 2016 and from 28.5% at September 2015. 21% of children aged under 18 in Brighton and Hove were from a BME background at the time of the 2011 census.

53.7% of children subject of a child protection plan had a category of emotional abuse, up from 48.5% at September 2015 and above the national average of 36.3%. 28.4% had a category of neglect, down from 29.8% at September 2015 but below the national average of 44.5%. The percentage of children with multiple categories has fallen slightly from 12.4% at September 2015 to 11.4% at September 2016, but remains above the national average of 7.4%.

Below is a comparison of the age profile of children subject of a child protection plan compared with the 2014/15 national average:

- 2.1% are unborn compared to 2.1% nationally.
- 12.1% are aged under 1 compared to 10.5% nationally.

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- 24.3% are aged between 1 and 4 compared to 28.5% nationally.
- 29.7% are aged between 5 and 9 compared to 29.7% nationally.
- 28.4% are aged between 10 and 15 compared to 26.1% nationally.
- 3.4% are aged 16 and over compared to 3.1% nationally.

Commentary:

Whilst the overall rate of children subject to a child protection plan remains higher than the target based on contextual nearest authorities, the number remains lower than the high of 424 in August 2015.

It is of note that a lesser number of children were made subject to a child protection plan, than the previous 3 months and fewer child protection plans ended than in the previous quarter. This does coincide with the school holiday period, when review conferences with school aged children are not held, due to teaching staff not being available, so this may explain, why fewer numbers have come off child protection plans.

In the recent peer review of our services, the inspection team did not identify, either through their audit, or enquiries, that our threshold for placing children on child protection plans, was overly risk adverse. The inspection team did consider that there are unique aspects to Brighton, that lead to the higher than national average numbers of children on child protection plan.

There are currently 15 children who have been on a child protection plan for 2 years or more, representing 6 families. Two families of sibling groups of 3 have a child with a disability and are in pre-proceedings. One sibling group of 4 has been in previous proceedings and is back in PLO. Another family are in care proceedings and another is on the point of issuing care proceedings.

Emotional abuse remains a predominant category, which can include a range of parental difficulties related to domestic abuse, substance/drug use and mental health.

It is a hypothesis that as our number of looked after children decreases, an increase may be expected in those on child protection plans, as risk is being managed, within a family context.

Actions:

1. Heads of Service to continue to review this current cohort of children on plans over 2 years and to look at those between 18 month to 2 years. (Interim Head of Service - Social Care, 31st Dec 2016)

<b>Children in Care (Looked After Children/LAC) [Corporate]</b>	<b>No.</b>	<b>421.00</b>	<b>449.00</b>	 RED
				<b>Declining</b>

Position:

There are 449 children looked after (CLA) at 30th September 2016. This data became available on 10th October 2016. The aim and target shown is to reduce LAC to 421 which is the average for our 10 nearest authorities at 31st March 2015 in terms of contextual factors based on Public Health analysis of deprivation, alcohol, drugs and mental health. This equates to a rate per 10,000 of 82.5. The number of children looked after is up from 439 at 30th June 2016 but down from 460 at September 2015. The peak CLA number since 2010 was 515 in November 2011 and the lowest number was 435 at January 2016.

The CLA rate per 10,000 is 88 at 30th September 2016, above the England and statistical neighbour average of 60 and contextual neighbour average of 81. Brighton and Hove's CLA rate per 10,000 was 85 at 31st March 2016 and was ranked joint 32nd highest out of 152 Local Authorities in England, down from 19th highest last year. Figures from the South East Regional Benchmarking group show that the South East average rate per 10,000 children has risen from 56.6 in Quarter 1 2015/16 to 57.6 in Quarter 1 2016/17. Nationally, the number of CLA at 31st March 2016 saw an increase of 1% compared to 31 March 2015 and an increase of 5% compared to 2012. However, if unaccompanied

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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asylum seeking children (UASC) are removed from the count of looked after children, there has been a decrease in the looked after children population of 500 (1%) since 2015.

205 children became looked after during the year ending 30th September 2016 compared to 212 during the previous 12 months. The number of Unaccompanied Asylum Seeking Children (UASC) is up from 15 at September 2015 to 37 at September 2016, and the percentage of CLA that are UASC is up from 3.3% at September 2015 to 8.2% at September 2016. The number of CLA excluding those that are UASC has fallen from 445 at September 2015 to 412 at September 2016 – a 7.4% decrease.

- 23% of children becoming looked after during the year ending 30th September 2016 were aged under 1 compared to 24% in the previous 12 months.
- 12% were aged 1 to 4 compared to 15% in the previous 12 months.
- 16% were aged 5 to 9 compared to 12% in the previous 12 months.
- 30% were aged 10 to 15 compared to 31% in the previous 12 months.
- 20% were aged 16 and over compared to 19% in the previous months.

216 children ceased to be looked after during the year ending 30th September 2016 compared to 234 in the previous 12 months.

- 35.6% of children ceasing to be looked after in the year ending 30th September 2016 returned to live with parents or relatives compared to 31.2% in the previous 12 months.
- 14% were adopted compared to 19% in the previous 12 months.
- 11% were subject to a Special Guardianship Order compared to 16.2% in the previous 12 months.
- 23.1% ceased care for any other reason compared to 17.9% in the previous 12 months.

46.8% of CLA are on a Full Care Order as at 30th September 2016 compared to 47.4% at September 2015

27.2% are section 20 compared to 31.3% at September 2015

12.9% are on an Interim Care Order compared to 8.9% at September 2015.

13.1% are on a Placement Order compared to 12.2% at September 2015.

52.3% of CLA were male as at 30th September 2016 and 47.7% were female. 52.2% of CLA were male and 47.8% were female at September 2015. Nationally, 55% of CLA were male at March 16.

24.5% of CLA were not White British as at 30th September 2016, up from 22.8% at September 2015. If UASC are excluded, the percentage of CLA that are not White British is 18%. 21% of children aged under 18 in Brighton and Hove at the time of the 2011 census were not White British.

#### Commentary:

The numbers of children in care at 30th September 2016 are 449, show a decrease of 11 from September 2015 figure of 460, but an increase of 10 from June 2016 when the figure was 439.

However, it is noted that our numbers of LAC numbers excluding UASC (see details below) has fallen from 445 at September 15 to 412 at September 16, a significant decrease of 33 children or 7.4% decrease over this period. It is noted the roll out of the Home Office Dispersal Scheme for UASC and ongoing political situation in Africa and the Middle East, that the number of UASC is likely to continue to rise.

The aim is to decrease to 421 children- a further 28 children- over the next 3 year period to be in line our contextual neighbours. The challenges we face in achieving this goal are:

- the context that South East Benchmarking reflects an increase in average rates of looked after children to 57.6 per 10,000 children from 56.6.

- Nationally, the number of CLA at 31st March 2016 saw an increase of 1% compared to 31 March 2015 and an increase of 5% compared to 2012, therefore the projected trajectory nationally is of increasing CLA rates rather than decreasing.

- The number of children ceasing to be looked after has decreased in the last year – 216 ceased to be looked after during the year ending 30th September 2016 – 18 less than the figure of 234 in the previous 12 months.

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- in terms of Care Proceedings being issued, our legal team have advised that nationally in September 2016 there is a 23 per cent increase from September 2015, and an increase of 33% from Sept 14. Nationally the projected figure for 206-17 is for approx. 15,000 sets of care proceedings – this figure was 12,700 last year and only 11,100 the year before. In line with this national increase our legal team advise that in Brighton and Hove this Q2 (July, Aug, Sept 16) we issued 34 sets of care proceedings compared to 14 in Q1. In Q2 2014-15 the number of care proceedings issued was 20 and this is a 70% increase from this time last year.

- the age breakdown reflects an increase in the cohort of older children becoming looked after reflecting national and local concerns about older children at risk of family breakdown due to issues such as risk of child sexual exploitation, missing episodes, substance misuse and youth offending.


A further pressure is the ongoing increase in Unaccompanied Asylum Seeking children (UASC) to 37 - amounting to an increase from 3.3% at September 2015 to 8.2% at September 2016. This is the highest number of UASC's that have been the responsibility of Brighton & Hove since 2008 reflecting the growing number fleeing war and persecution. It is likely in the current political climate the numbers of UASC are likely to continue to grow.

Children's Services Care Planning Panel is chaired by the Assistant Director and continues to oversee any admissions of children/young people into the care system, and continues to provide vigorous challenge to ensure that all other alternatives have been including placement with family members with support packages have been explored before agreeing to a child/young person becoming looked after.

The development of this Adolescent Service is being progressed –the focus of this service is to use resources creatively within a multi-agency framework to ensure that there are robust intervention packages to prevent the need for children to become looked after.

**Actions:**

1. Children's Services Care Planning Panel to continue to review Admissions and Exit Planning for Children in Care to ensure that alternatives to care are vigorously explored where it is safe to do so. (Assistant Director Children's Health Safeguarding & Care and Heads of Service, Review - January 2017)
2. Progress the development of the Adolescent Service (Assistant Director Children's Health Safeguarding & Care and Service Manager, Review - January 2017)

<b>Percentage of former relevant young people (care leavers) aged 19, 20 and 21 who were in education, employment or training [Corporate]</b>	<b>%</b>	<b>59.00</b>	<b>59.00</b>	 <b>No Change</b>
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**Position**

59% of care leavers in the year ending 31st March 2015 were in education, employment or training. The DfE published the figures in March 2016. The cohort is defined as children who have turned 19, 20 or 21 in the year ending 31st March 2015 who were previously looked after for a total of at least 13 weeks after their 14th birthday including some time after their 16th birthday. The target of 59% for 2016/17 is based on the 2014/15 outturn figure.

Performance for 2014/15 is better than the 2014/15 national average of 48% and statistical neighbour average of 51.1%, but is down from 65% in 2013/14. Brighton and Hove's performance is ranked 20th highest out of 152 Local Authorities. Brighton and Hove has a higher percentage of care leavers in education, employment or training at ages 19, 20 and 21 compared to the national average.

- 67% of care leavers aged 19 were in education, employment or training compared to 53% nationally. 46% were in education other than higher education (26% nationally) and 19% were in training or employment (22% nationally).
- 50% of care leavers aged 20 were in education, employment or training compared to 48% nationally. 21% were in education other than higher education (17% nationally) and 25% were in

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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training or employment (24% nationally).

- 61% of care leavers aged 21 were in education, employment or training compared to 42% nationally. 36% were in education other than higher education (12% nationally) and 23% were in training or employment (23% nationally).

In 2015/16, the cohort of young people for whom care leaver information should be returned was expanded to include 17 and 18 year olds as well as 19 to 21 year olds. Provisional figures from the 2015/16 SSSA903 Children Looked After Return show that 169 (70.7%) of the 239 Care Leavers in 2015/16 aged 17 to 21 inclusive were in in Education, Employment and Training (EET). Of the Care Leavers aged 19 to 21 inclusive, 68.3% were in EET.

16 (9.9%) of Care Leavers aged 19 to 21 were in Higher Education, better than 2.3% last year and above the 2014/15 national average of 6%. It should be noted that these are provisional figures and may differ to those published by DfE in Autumn 2016.

#### Commentary

B&H's performance for 19 to 21 year old care leavers for the year ending March 2015 at 59 % (published by DfE in March 2016) is significantly better than the national average in all areas of Education, Employment and Training (EET). As detailed above this includes Brighton and Hove's performance is ranked 20th highest out of 152 Local Authorities.

Provisional figures from the 2015/16 SSSA903 Children Looked After Return show that 169 (70.7%) of the 239 Care Leavers in 2015/16 aged 17 to 21 inclusive were in in Education, Employment and Training (EET). Of the Care Leavers aged 19 to 21 inclusive, 68.3% were in EET.

16 (9.9%) of Care Leavers aged 19 to 21 were in Higher Education, better than 2.3% last year and above the 2014/15 national average of 6%.

This has been achieved by a number of successful strategies including:

- Ensuring each care leaver who is either NEET, unsure of their career path or thinking about a change of direction completes a Personal Opportunities Plan (POP) with their Personal Advisor (PA). This enables the young person to identify what and how they should do to achieve their goals.
- The Personal Adviser providing advice assistance and support to each NEET care leaver involving help with CV's and job applications, interview preparation and practice, identifying future choices and building confidence and motivation.
- The Care Leaver Partnership with Brighton and Hove Job Centres provides additional support for care leavers in job preparation and job seeking. In addition regular meetings are now being held with the Youth Employability Service Practice Manager, Leaving Care Team Personal Advisor and POD manager. These meetings ensure that there is an action plan to help every Care Leaver into employment, education or training who isn't currently.
- A range of work experience, work placement and apprenticeship opportunities are available for care leavers.
- The number of care leavers "Staying Put" (remaining with their foster carers beyond the age of 18) has increased over the period to now stand at 27. These arrangements provide valuable encouragement, continuity and stability for young people in EET. For those not "Staying Put", the number of care leavers living in supported housing and receiving similar support has also increased.
- Comprehensive financial support is available for care leavers to encourage take up and sustainment of EET.
- Identifying young people with the ability and ambition for HE at Year 10 and providing appropriate support and encouragement as a good parent would do.
- Comprehensive financial support is available for care leavers to encourage take up and sustain HE

#### Actions

1. Ongoing meetings to be held with the Youth Employability Service to ensure that there is an action

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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plan to help every Care Leaver into employment, education or training who isn't currently. (Leaving Care POD Manager, ongoing - review January 2017)

2. Work continues to support the Care Leaver Partnership with Brighton and Hove Job Centres which provides additional support in job preparation and job seeking. Achieved by close liaison with Job Centre care leaver coaches and ensuring 100% of care leavers claiming JSA at Brighton and Hove Job Centres are identified as such on DWP database. (Leaving Care POD Manager, ongoing - review January 2017)

3. The Corporate parenting Strategy 2016-19 sets out an increased range of work experience, work placement, trainee and apprenticeship opportunities are available for care leavers (particularly through our Housing team). Continued working in partnership with the Apprenticeship Co-ordinator for Brighton & Sussex Universities & Hospitals Trust tasked with recruiting and supporting a number of apprenticeships into roles within the NHS. (Assistant Director: Review Jan 2017)

**Percentage of children placed in foster care that are placed in-house (Corporate)**

%

60.00

54.40



Improving

#### Position

Of the 296 children placed in foster care as at 30th September 2016, 161 (54.4%) were placed with in-house carers. This data became available on 10th October 2016.

The target in the Service Plan is for 65% of fostering placements to be provided in house by 2018. The target for 2015/16 was 55% so the target for 16/17 of 60% is halfway between the March 16 and March 18 targets.

122 IFA (Independent Fostering Agency) foster placements started during the year ending 30th September 2016, down from 177 during the previous 12 months.

The percentage of children placed in foster care that are placed with in-house foster carers is up from 48.6% at September 2015 and from 51.8% at June 2016. 200 in-house foster placements starting during the year ending 30th September 2016, down from 211 during the previous 12 months.

Nationally, 61.8% of children placed in foster care as at 31st March 2014 were placed with in-house foster carers, down from 67% as at 31st March 2010.

The percentage of LAC aged under 10 placed in in-house foster placements, as a percentage of all LAC aged under 10 placed, is down slightly from 43.4% for the year ending 30th September 2015 to 43.2% for the year ending 30th September 2016. The percentage of LAC aged under 10 placed with agency foster carers has fallen from 20.8% to 14.7% during the same period.

There were 6 foster carer approvals during the year ending 30th September 2016, down from 22 during the previous 12 months.

#### Commentary

The increase in children in both actual numbers as well as percentage terms has continued from Q1 to Q2. The co location of the Children's Placement Team alongside the Fostering Team has continued to reap benefits. The increase in numbers of children placed has been achieved through more efficient use of in-house carers rather than a significant increase in fostering households. There are a greater number of active fostering households as well as work being done to encourage carers to be more flexible and look after different children such as teenagers which otherwise would rather than moving to I.F.A. e.g. teenagers.

There continues to be a significant amount of recruitment activity and enquiry generation along the lines of the iMPower recommendations using new marketing materials, increased use of social media, involvement of foster carers and word and mouth. All key indicators in the fostering recruitment activity

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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are positive and have an upward trajectory above predications from previous years. Currently 14 assessments in progress of which will lead to an estimated increase capacity of 21 placements by January 2017. There have been a total of 8 new approvals (2 further approvals since collation of data) which is down from previous years however the work of the new recruitment team with new approvals estimated to impact November 2016 – January 2017. There remains high interest from carers wishing to transfer from I.F.A.s to Brighton and Hove.

The Fostering Service has continued to work on the support and retention of foster carers (workstream 3). Following a restructure the fostering support officer role has been created and operational from 1.9.16 and work has started to embed this and will have impact both on fostering recruitment , foster carer involvement and support and retention including offering more practical support to carers .

**Actions:**

1. To continue with Phase 2 of the Fostering Recruitment Project following iMPower recommendations. Project to last 24 months with a top target of increasing in-house placements to 75% of all placements. (Fostering Team Manager).
2. To implement restructure to support 4 workstreams – foster carer recruitment, support and retention of foster carer, complex placements to maximise number of children placed with in-house foster carers. (Fostering Team Manager)
3. To embed and develop role of Fostering Support Officers and to recruit additional FSOs in line with recommendations. (Fostering Team Manager, November 2016)
4. Ongoing development of word and mouth campaign using foster carers directly and their networks to recruit foster carers. October 2016 (Fostering Team Manager, ongoing)
5. Ongoing development of 3rd workstream of Fostering Recruitment Project – Support and Retention of foster carers and developing a range of supports for foster carers. (Fostering Team Manager, ongoing)
6. To produce work plan for 4th Workstream – complex placements. (Head of Service, December 2016.)

**2016-17 Finance & Resources - Quarterly (Corporate)**

<b>Internal Audit: All council - % of high and medium priority recommendations (that have passed their agreed implementation deadline) that have been implemented [Corporate]</b>	%	<b>90.00</b>	<b>77.00</b>	 RED
				<b>Improving</b>

**Position:**

Quarter 1 = 75%

This indicator shows the percentage of medium and high priority audit recommendations for the council that have reached their due date and have been implemented. The data is based on updates from those responsible for implementing recommendations setting out what has been done. The indicator provides evidence about the extent to which the council is maintaining a strong control environment. Based on previous performance and comparison to other councils, achieving the target of 90% would demonstrate strong performance. The actual implementation rate currently stands at 77%.

**Commentary:**

This indicator currently records that there are 63 out of 272 recommendations that have not been implemented by the agreed date.

- action has not been recorded in 46 cases
- in 17 cases actions have not been implemented or only partly implemented.

**Actions:**

1. Recommendation owners, heads of services and executive directors to be reminded to review and update their recommendations on the internal audit Sharepoint site. (Head of IA, end August 2016)
2. Directorate level performance information is to be compiled and distributed to each DMT from quarter

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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2 2016/17 (Audit Manager, ongoing from September 2016)

3. Where particular managers have a high number of recommendations that are not implemented the responsible manager may be invited to attend the Audit & Standards Committee. (Head of IA, when required/ quarterly)

<b>Percentage of invoices for commercial goods and services that were paid within 30 days [Corporate]</b>	%	<b>95.00</b>	<b>95.09</b>	 GREEN <b>Declining</b>
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Position:

This measure/target is in response to the government's drive to improve the speed of payments across the whole of the public sector. The principle is about ensuring that suppliers' cash flows and viability are not impacted by slow payment processes.

We aim to pay suppliers within 30 days of receiving the invoice, and have a target of 95%. This target is considered achievable when compared to CIPFA comparative information which shows the 2015 performance for invoices paid within 30 days as an average of 93% for benchmarking authorities. Key to meeting the target of 95% is high compliance with the use of the purchase order system which makes processing invoices quick and efficient.

Performance for July to September 2016 was 95.06%, a little down on performance for April to June 2016 which was 95.12%, but the overall performance from April to September 2016 was 95.09%, still above the 95% target.

Commentary:

A reduced staffing resource within the team has impacted the team's ability to work with services to further improve invoice processing performance.

The performance for this quarter reflects the team's focus on processing invoices promptly. The challenges facing the creditors service are:

1. continuing to maintain the level of performance with reducing staff resources through future efficiency savings wherever possible.
2. invoices are initially received and processed by individual services therefore the invoice processing performance is not wholly in the control of the creditors service.
3. Ensuring that changes to Social Care Payments (new provider contracts and changes in systems with the implementation of Adam and then the fact that Adam has been put on hold for the next 3 or 4 months) do not adversely impact payments to providers.

Action:

Further improvement at this high level of compliance would be costly for only a marginal improvement and no financial gain to the authority. However, the creditors' team continue to work on improvements through:

1. Continually working with individual services to increase compliance with the Purchase Ordering process which is steadily improving year-on-year and introduce regular reporting to service management and CMT on compliance / non-compliance;
2. Continuing to develop automation in processing through for example the extension of intelligent scanning and emailing transactions;
3. Continuing to work with suppliers to ensure they do not invoice the council without a valid Purchase Order number;
4. Dealing proactively with any supplier who contacts us and alerts us that the council is causing them a cash flow problem through slow or non-payment.

All actions are the responsibility of the Head of Central Financial Services.

<b>Purchase to Pay Compliance [Corporate]</b>	%	<b>80.00</b>	<b>45.77</b>	 RED <b>Declining</b>
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Position:



INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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Purchase to pay compliance is important for a wide range of reasons including:

- a) it improves commitment accounting and therefore the quality of financial forecasts;
- b) it helps to speed up the process of paying invoices by being able to automatically match invoices to purchase orders - this helps to meet government Prompt Payment guidelines and avoid late payment penalties;
- c) it provides qualitative and quantitative management information concerning purchasing activity and enables monitoring of compliance with Contract Standing Orders and purchasing behaviours (on or off contract).

Commentary:

Of the 7,357 orders raised in Q2, 3,384 were raised in compliance i.e. 44.90% compared to the target of 80% and 48.32% in Q1 (1,287 of the 2,589 orders raised were compliant). The overall position for Q1 & Q2 is 45.77% compliant (4,635 out of 10,126 orders). This PI contains a significant 'stretch' compared with current performance because ELT and DMTs wish to see significant improvement in compliance for the reasons stated above. Improving compliance will take time and effort as the wide range of procurement practices deployed across the council require different responses and solutions ranging from training financial administrators with under-developed skills to finding solutions to complex call-off purchasing arrangements without creating an inefficient and onerous administrative burden. The position for Q1 & Q2 last year was 40.35% of orders were raised in compliance i.e. 6,867 out of 17,019 orders, this shows an improvement of 5.42% which is positive.

Actions:

1. Developing reporting for ELT/CMT members to raise the profile of non-compliance.
2. Critically, implementation of the Civica Contract Module (business case approved by CMDDB) which enables non-compliance to be detected easily and provides effective MI and exception reporting. This is now in train.
3. Continuing to identify high volume non-compliant areas from available data (ongoing);
4. Developing a communication and guidance campaign for a wider audience to continue to promote increased compliance
5. Continuing to work on a daily basis with suppliers to ensure they do not invoice the council without a valid Purchase Order number

<b>Average number of working days / shifts lost per Full Time Equivalent (FTE) due to sickness absence so far this year (not including schools) [Corporate]</b>	<b>No.</b>	<b>4.86</b>	<b>5.27</b>	 <b>AMBER</b> <b>Improving</b>
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Position:

From Q1 2015/16, the target was changed to benchmark it against the CIPFA HR Benchmarking Club. The target was reduced from 10 days to 9.7 days. The quarterly target is 2.43 days. The target has remained unchanged for 2016/17 in order to monitor progress.

This data is based on absences due to sickness from 1st July 2016 to 30th September 2016. This high level data became available on 11th October 2016, more detailed data enabling analysis will be available in early November.

The days lost due to sickness absence in Q2 was 2.60 days which is above the quarterly target of 2.43 days, which is an Amber RAG rating. This result is higher than Q2 last year where the days lost was 2.57 days.

The projected year end outturn is currently 11.22 days which would be a Red RAG rating.

The Q2 figure of 2.60 days is made up of 0.94 days (36.1%) due to short term sickness and 1.66 days (63.9%) due to long term absence – which shows a shift towards more days lost being due to long term

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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sickness compared to the last 3 quarters data. HR will continue to monitor this trend and investigate possible causes.

When compared to Quarter 2 last year, this shows short term absence has decreased by 5.4% and long term absence has increased by 6.21%. This is a continuation of the pattern found in quarter 4 - 15/16 and in quarter 1 - 16/17.

#### Commentary

- Stress/mental health conditions continue to be the biggest cause of days lost with 34.56% of the days lost in Q2 attributed to stress, this is higher than in Q4 (15/16) – 27.36% and in Q1 (16/17) – 30.46%. Musculo-skeletal conditions (17.63%) and Stomach conditions (8.51%) were also significant contributors to the number of days lost during this quarter.
- In terms of actual days lost for short term sickness: In Q2 2015/16 1.08 days lost were due to short term sickness, compared to 0.94 days in Q2 2016/17. This is a reduction of 0.14 days.
- In terms of actual days lost for long term sickness: In Q2 2015/16 1.48 days lost were due to long term sickness, compared to 1.66 days in Q2 2016/17. This is an increase of 0.18 days.
- There is a financial impact of absence for example using agency workers to cover work and there is an impact on the remaining members of staff in terms of maintaining morale within teams.
- The organisation is going through a high level of change and is currently in Year 2 of the 4 year budget planning process. This high level of change could be contributing to increased levels of absence, particularly the increase in stress related absence.
- HROD have rolled out a team resilience checklist to help manage stress within teams.
- Guidance has been reviewed to help managers spot potential stress related absences and to support managers manage absence due to stress / mental health. Managers are encouraged to undertake OH referrals in these cases as early as possible.
- The automated emails managers receive from PIER once employees have been absent for more than 7 days have been reviewed to ensure they contain as much signposting information and guidance for managers as possible.
- HR conducted an analysis of Q4 absence data and identified services with high levels of absence that would benefit from increased support. The sickness project group will agree a planned approach to this, e.g. offering sickness surgeries in certain areas, this approach has proved to be successful in reducing absence rates when held regularly.
- HROD, alongside Finance and the Performance Team developed and produced a data set focussing on performance management and presented this to ELT in June. This data set (Data Insight) included absence data which will further raise the profile of the importance of managing absence and enable managers to be accountable for improving sickness rates in their teams. ELT agreed that this data set should be produced twice yearly in order to support performance management. The next report (for September) has been circulated to DMT's.

#### Actions for Improvement: -

1. The latest Data Insight report has been circulated to DMT's to consider and report action. Action Lead: Head of HR Business Partnering. Action date: September/October 2016.
2. HR have been undertaking research across the region to understand our upward trend in sickness absence. Research has commenced and a report will be produced for ELT on the findings in the Autumn of 2016. Action Lead: HR Business Partner for Neighbourhoods, Communities & Housing. Action date: November 2016.
3. The sickness project has reviewed the role of sickness leads to ensure consistent support is received across the organisation in terms of managing absence and practice is reviewed at sickness project group meetings. Action Lead: HR Business Partner for Neighbourhoods, Communities & Housing. Action date: Ongoing

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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4. Areas across the council that would most benefit from sickness surgeries will be identified and a roll-out will be progressed as part of the sickness action plan for 16/17. Action Lead: HR Business Partner. Action date: December 2016

#### 2016-17 Health & Adult Social Care - Quarterly (Corporate)

<b>Permanent admissions of younger adults to residential and nursing care homes per 100,000 population [Corporate]</b>	<b>No.</b>	<b>3.69</b>	<b>3.06</b>	 <b>Improving</b>
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#### Position:

This Performance Indicator (PI) measures the number of younger adults (18-64) permanently admitted to residential or nursing accommodation expressed as a rate per 100,000 population.

The data is lagged with Q1 (Apr-Jun) figures being reported in Q2.

2016/17 Q1 PI figure 3.06 (6 younger adults admitted to long term residential care)

2016/17 projected year end figure 12.61 (if admissions continued at same rate)

2015/16 PI figure 16.29 (31 younger adults admitted to long term residential care)

2014/15 PI figure 10.00 (19 younger adults admitted to long term residential care)

2013/14 PI figure 10.58 (20 younger adults admitted to long term residential care)

PI is expressed per 100,000 population. 18-64 Population 195,952

For context, as of 31st March 2016 in total there were 273 people aged 18-64 placed by the council in long term residential or nursing accommodation.

2016/17 Target is 10 per 100,000 population (19 admissions) which was the result from 2014/15.

The comparative result for permanent admissions of younger adults in all England during 2016/17 was 13.3 per 100,000 population

#### Commentary:

The number of younger adults permanently admitted to residential accommodation increased from 19 in 2014/15 to 31 in 2015/16. There were 6 younger adults admitted within Q1 2016/17. This is a slight decrease on the 8 admitted within the same period last year.

Those that are considered for permanent admission to residential and nursing care homes present cases that are increasingly complex and with more acute challenges.

To help to address this challenge we are providing more support in the community for people with complex needs through integrated working and reablement activity.

Data provided is based on social care funded admissions to residential care, as it has been historically. The data sources for Adult Social Care Outcome Framework (ASCOF) indicator 2A 'Permanent admission to residential and nursing residential homes' have been updated to reflect sequels recorded by practitioners regarding intention to admit an individual to long term care, rather than service agreements which count funded contracts. As ASCOF data sources are relatively new there are considerable data quality issues. In order to support real terms comparison of performance over time we are continuing to provide data on funded admissions.

#### Actions

1. Joint working of the Integrated Primary Care Team through the Better Care Programme, and provision of Short Term Services to maximise independence. Commenced one cluster, to be rolled out to whole service over the next 18 months: March 2017. We continue to prioritise this development as part of our Assessment Service Redesign programme which will become linked to the development of the Brighton & Hove Caring Together initiative as this moves forward. The continued collaboration of health and social care services will enable us to create more effective preventative services and sources of support that seek to challenge the reliance on formal social care services and promote an asset based approach drawing in resources from wider communities and partner organisations. (Assistant Director Health & Social Care, Mar 17)

2. The development of the new reviewing framework will enable staff to respond to service reviews in a more proportionate way and triage those who require prioritisation. The aim of this is to create a more manageable way of carrying out reviews, enables us to harness the activity carried out by partners,

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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providers and clients, and will reduce the likelihood of emergency reviews which may lead to increased care / emergency placements. This is being piloted in October 2016 and will be reviewed in November 2016 when timescales for a wider roll out will be confirmed. (Assistant Director Health & Social Care, Mar 17)

3. The Move On project in mental health services focuses on supporting clients to step out of high support accommodation or residential care. This scheme has been operating as a pilot scheme over the last few years but has been awarded funding on a permanent basis and will continue to run in partnership with BHT. This project has successfully moved several people out of permanent residential care placements and into independent living. (Assistant Director Health & Social Care, Mar 17)

<b>Permanent admissions of older adults (65+) to residential and nursing care homes per 100,000 population [Corporate]</b>	<b>No.</b>	<b>187.13</b>	<b>186.47</b>	 <b>Improving</b>
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**Position:**

This Performance Indicator (PI) measures the number of older adults (65+) permanently admitted to long term residential or nursing accommodation expressed as a rate per 100,000 population.

The data is lagged with Q1 (Apr-Jun) figures being reported in Q2.

Q1 2016/17 PI Value 186.47 (71 new admissions of older adults (65+) in Q1)

2015/16 PI Value 793.16 (295 new admissions of older adults (65+) to residential/nursing care settings within the year)

2014/15 PI Value 803.91 (299 new admissions)

2013/14 PI Value 734.89 (269 new admissions)

PI is expressed per 100,000 population. 65+ Population currently 38,075

The annual target is 748.52 and was agreed for Brighton & Hove as part of the Better Care programme. This equates to 285 admissions.

For context, as of 31st March 2016 in total there were 906 people aged 65+ placed by the council in long term residential or nursing accommodation.

The Better Care target was for 237 admissions in year.

The comparative result for permanent admissions of older adults in all England during 2014/15 was 696.4 per 100,000 population aged 65+

**Commentary:**

The number of older adults permanently admitted to residential accommodation remained fairly static from 2014/15 (299 admissions) to 2015/16 (295 admissions) but remained well above the challenging target set through the Better Care Programme. There were 71 older adults admitted within Q1 2016/17. This is a decrease on the 95 admitted within the same period last year.

Those that are considered for permanent admission to residential and nursing care homes present cases that are increasingly complex and with more acute challenges.

To help to address this challenge we are providing more support in the community for people with complex needs through integrated working and reablement activity; this is helping to reduce the need to admit people to long term residential care.

Data provided is based on social care funded admissions to residential care, as it has been historically.

The data sources for Adult Social Care Outcome Framework (ASCOF) indicator 2A 'Permanent admission to residential and nursing residential homes' have been updated to reflect sequels recorded by practitioners regarding intention to admit an individual to long term care, rather than service agreements which count funded contracts. As ASCOF data sources are relatively new there are considerable data quality issues. In order to support real terms comparison of performance over time we are continuing to provide data on funded admissions.

Due to increasing complexity of need, the costs of enabling people to live in the community can now sometimes exceed the costs of meeting needs in a residential setting. Each case is individually scrutinised to ensure value for money.

**Actions:**

1. Joint working of the Integrated Primary Care Team through the Better Care Programme, and

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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provision of Short Term Services to maximise independence. Commenced one cluster, to be rolled out to whole service over the next 18 months: March 2017. We continue to prioritise this development as part of our Assessment Service Redesign programme which will become linked to the development of the Brighton & Hove Caring Together initiative as this moves forward. The continued collaboration of health and social care services will enable us to create more effective preventative services and sources of support that seek to challenge the reliance on formal social care services and promote an asset based approach drawing in resources from wider communities and partner organisations. (Assistant Director Health & Social Care, Mar 17)

2. The roll out of the Discharge to Assess programme will enable more effective discharge from inpatient care and ensure that people are given the optimum opportunity to rehabilitate and stabilise – essentially reducing the need for intensive care services / residential or nursing care. (Assistant Director Health & Social Care, Mar 17)

3. Increased capacity in extra care housing – the new development of Brookmead will provide extra care housing support to people with dementia, providing a potential alternative / delayed admission to residential care.(Assistant Director Health & Social Care, Mar 17)

4. The development of the new reviewing framework will enable staff to respond to service reviews in a more proportionate way and triage those who require prioritisation. The aim of this is to create a more manageable way of carrying out reviews, enables us to harness the activity carried out by partners, providers and clients, and will reduce the likelihood of emergency reviews which may lead to increased care / emergency placements. (Assistant Director Health & Social Care, Mar 17)

**% Social care clients receiving Self Directed Support [Corporate]**

%

**95.00**

**93.86**



AMBER

**Improving**

Position:

The Performance Indicator (PI) relates to the percentage of clients who are in receipt of Direct Payments or have been through a Self Directed Support (SDS) process and had their personal budget calculated.

2016/17 Q2 Self Directed Support result is 93.86% and the target is 95%

2015/16 BHCC figure was 87.33% compares to the England average of 86.90%

2014/15 BHCC figure was 86.81%

2013/14 BHCC figure was 78.00%

Over 550 people receive support in a way that gives them more choice and control via a Direct Payment.

We have changed the way we are capturing this compared to last year, therefore direct comparison with previous results is not possible. As this SDS Process calculation happens during assessment/review the launch of new Care Act documents may have slowed down the rate of assessment (practitioners are adjusting to new tools) and therefore had an impact on performance. With the launch of new Care Act tools we are looking to ensure that a person has been through the Resource Allocation System (RAS) process (embedded within new assessment tools) as opposed to having had the SDS conversation as part of their support plan.

Commentary:

Surveys show that for the majority of these people receiving Direct Payments it is a good experience and the Care Act asks the council to strengthen its offer to both our established customers and new ones. The council is expected to speak to our existing customers at every opportunity to give them the real chance to try out this way of receiving and planning their support. Staff will be trained and supported to have a better knowledge and confidence to show to service users how this can be achieved.


The council has launched a pre-paid card option for people to have money put onto a card much like the cards most people now use for their purchasing. This avoids the need for customers to supply invoices and experience a lighter touch from the council whilst improving governance of the process and building user confidence. People using pre-paid cards no longer have to send in their bank statements for monitoring as all transactions are available in a personal on-line account and the council

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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is able to monitor expenditure with direct on-line access to the same information. The council also has more control of under and over spending on the account and can refer cases for review if there are difficulties. Presently 80 people have taken up the offer of pre-paid cards and every newcomer is automatically asked to consider this as the way to manage their support.

**Actions:**

1. The council is working with Possibility People, our local user led organisation to both improve information about Self Directed Support as well as streamlining our internal and cross organisation interface. With the help of the local stakeholders group we aim to achieve a real desire to communicate to others and get local buy in, therefore increasing the uptake of direct payments. This work is underway and will remain ongoing.
  2. A comprehensive training programme in Care act implementation for social workers and care managers is underway and will be delivered early 2017; the Self Directed support offer is integral to this training. Currently this features in our 3 day Assessment Pathway training that is essential for all staff who are completing social care assessments.
  3. We are still in the process of ensuring that all clients in receipt of ongoing formal care have had an updated social care assessment that includes a personal budget. Whilst this is standard practice for all new assessments undertaken following the launch of the Care Act, we are still working through a process of review for those who were assessed prior to April 2015 to ensure these are updated and include details of the personal budget. This work is allocated and is being undertaken currently. Once this work is completed then we should be closer to our target of 95%, or will have exceeded this.
- Assistant Director Health & Adult Social Care

<b>Delayed transfers of care attributable to social care [Corporate]</b>	<b>No.</b>	<b>3.60</b>	<b>3.52</b>	 <b>Improving</b>
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**Position:**

This Performance Indicator (PI) measures the monthly average number of patients delayed from being discharged from hospital on snapshot days that are attributable to social care, expressed as a rate per 100,000 population (using 18+ population). 18+ population figure is 227451  
The latest available data for 2016/17 is July at 3.52 (32 patients delays on snapshot days April-July 2016, the lag with NHS England data reporting)  
2015/16 PI Figure 5.02 (137 patients delayed on snapshot days in April 2015-March 2016)  
2014/15 PI Figure 3.59 (98 patients delayed)  
2013/14 PI Figure 3.10  
2015/16 England average figure was 4.7  
Nationally the proportion of delays attributable to Social Care increased over 2015/16 - 32.2% in March 2016, compared to 26.9% in March 2015.

**Commentary:**

There were 32 patients delayed between April-July 2016 compared to 60 in the equivalent period last year so the current trend is showing a decrease. The proportion of delays from acute settings has increased. Between April and July 2015 just under 12% of delays were from Brighton & Sussex University Hospitals (BSUH) acute wards. Between April and July 2016 40% of the 32 patients delayed on snapshot days were from acute BSUH wards.  
There are also concerns about managing delays from Sussex Partnership Foundation Trust (SPFT) which relate to non -acute Mental Health settings. These account for 44% of patients delayed between April and July 2016. The main issue cited by SPFT is lack of specialist Mental Health care home provision for older people requiring residential/nursing care in order to be discharged from Nevill dementia ward. Between April 2015 and March 2016, 92 of the 137 delays relate to non-acute Mental Health settings. Work is underway to secure capacity for nursing care for older people with mental health needs through a block contract arrangement.  
Brighton & Hove have seen significant changes in the care market over the last 2 years, with new providers coming into the market (at rates the local authority cannot afford to purchase) and with

smaller providers exiting the market.

We are seeing increased complexity of services users being discharges from hospital – there is a need for whole systems solution to solve issues and to actively work to support care providers Clinical Commissioning Group (CCG) and Adult Social Care (ASC) are working on a ‘care home programme’ and a ‘home care programme’ where all the issues are brought together in specific action plans.

Care providers requesting more support from clinicians due to the increasing complexity of service users. More integrated commissioning is required across health & social care.

There is more demand from the NHS on the care market at a time when the market as a whole is fragile (in particular home care.)

#### Short terms beds

This is designed to increase the availability of community short term services care beds in nursing homes. In addition to the commissioned intermediate care beds at Craven Vale, Knoll House and the Victoria group of homes the CCG commission short term additional capacity as needed. The Craven Vale and Knoll House beds are jointly commissioned by BHCC and the CCG and supported by Sussex Community NHS Trust (SCT), the Victoria beds are commissioned by the CCG and supported by SCT. This has been implemented and will be reviewed monthly.

#### Home Care

The Rapid Home Care Service is now in place supporting people home from hospital as soon as they are medically fit for discharge. It is a key part of delivering Better Care in Brighton and Hove.

Private home care providers have been exiting the market over the last year, with other providers taking over contracts – this has caused considerable disruption in the care sector.

Some home care providers handing back some individual more challenging services users

There will be a new contract for home care providers in place in late 2016 also increased fees paid (to include living wage foundation) in the hope that this will stabilise the market.

Workforce is the biggest issues affecting all providers, and the need for good registered managers. We continue to hold regular forums with providers and will address topics such as recruitment / retention of staff. There is some concern about the quality of some home care providers at a time of significant changes for them but we continue to work with providers and support where we are able to.

The Home Care/ Hospital Discharge Partnership meeting is starting to address some discharge issues.

#### Care Homes

We have introduced an increased fee paid from April 16 in the hope that this will stabilise the market.

Further increase took place in Sept & another one proposed for April 17.

Funded nursing care has increased for payments to nursing homes.

No providers have exited the market in the last year – one home persuaded to stay in business when they were informed about the new fee rate from Apr 16.

Recruitment issues (including nurses) are a major issue across the sector and we are continuing to work closely with providers to support where we can.

#### Actions:

1. A Care Home Market Action plan is being developed with the CCG to respond to market capacity issues and to the requirements of the Care Act. There is a shortage of care home provision for older people with mental health needs: Work is going on to establish how to incentivise mainstream care homes to accept people with dementia. (On-going, Assistant Director of Health & Social Care)
2. An Expression of Interest has been sent out recently to establish if any provider in the city wants to provide beds for people with mental health needs. This could be through a range of purchasing options. Final paper being written (October 2016, Assistant Director of Health & Social Care)
3. Providers are aware of the needs of the city through the Market Position Statement published by Adult Social Care, and through regular meetings with the care home sector. When people with dementia require a care home bed, every effort is made to offer a place in the city. If this is not possible due to market capacity, people are offered placements locally in East & West Sussex. Where relevant,

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
Brighton & Hove pay above the set rate for a care home placement. This is underway and will be an ongoing process. (On-going, Assistant Director of Health & Social Care)				
4. We are participating in a Senior Delayed Transfers of Care review (top 20 clients) involving colleagues in Sussex Community NHS Foundation Trust / Brighton & Sussex University Hospitals / Clinical Commissioning Group which is attended by the General Manager for Hospital Social Work services. We regularly participate in Safer events, MADE and ward 'trawls' to enable discharge and problem solve when Brighton & Sussex University Hospitals is under pressure. We are represented on the Accident & Emergency delivery board where strategic and operational action plans are developed / monitored to address the local issues and create collaborative solutions. (Ongoing from October 2016, Assistant Director of Health & Social Care)				
5. We continue to work on roll out plans for the 'Discharge to assess' programme - the data from the pilot that was held on Jowers ward demonstrates that adopting this approach reduced LOS by 5 days. Roll out dependent on securing additional funding Business Case submitted. Decision due October 2016				
6. Introduction of a new Dynamic Purchasing System will help the price of more complex packages, and will be able to source packages in a more timely way. (March 2017, Head of Commissioning Contracts and Partnerships)				

<b>Safeguarding audits that demonstrate they have met agreed practice standards (Adult Safeguarding) [Corporate]</b>	%	<b>95.00</b>	<b>86.60</b>	 RED
				<b>Declining</b>

**Position:**

This indicator measures delivery of the broad expectations for Social Workers undertaking statutory safeguarding duties (on behalf of Brighton & Hove City Council's Adults Assessment Service) against five practice standards. The 5 standards provide a benchmark for social workers who undertake statutory enquiries under Section 42 of the Care Act 2014.

Data for this indicator is lagged as the audits take place after the quarter has finished.

During 2015/16 60 audits were completed (15 per quarter). During the period of April 15 to end March 16 4 cases did not meet Practice Standards. Therefore 93% of cases audited throughout the year met Practice Standards.

The data shown here is for April 16 - June 16. 15 audits were completed, as per requirements. 2 of these did not meet Practice Standards. Therefore as at Q1 86.6% of cases met practice standards. This currently shows a declining picture. During the whole period of 2015/16 there were 4 cases which failed to meet Practice Standards, yet during Q1 of this period there have been 2 cases which have not met Practice Standards. We would not expect this trend to be continuing, but at this stage it is difficult to predict. If this trend continues into Q2, some further analysis will be required as to what may be causing this drop in standards being met.

The outcome of all audits is discussed at Audit Moderation Panel, attended by General Managers from the assessment service and the Principal Social Worker, and is chaired by the Head of Safeguarding. This group ensures the consistency of audit, and agrees the actions to be taken following the audit outcomes.

In April 2015 the Care Act came into force. This changed the statutory Duties for adult safeguarding, and required new procedures, new documentation, and training to be rolled out to all staff early 2015/16. The audit has also been revised to meet these changed expectations. Last year the target was 75%, based on the prediction that the first quarters may show some cases not meeting the requirement, but that as training and learning is disseminated to staff this will improve as the year progresses. For 16/17 the target has been increased to 95%.

The numbers of cases that are audited will be 15 per quarter (60 for full year) so small numbers not meeting expectations will cause the % achieved to drop significantly.

This is a local indicator and no comparator data is available.

**Commentary:**

The practice standards inform and guide practice for Social Workers undertaking statutory safeguarding duties and they must be demonstrated retrospectively through case file audit. Where one or more



INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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standard is not demonstrated, the enquiry will be considered to have fallen below the threshold of acceptable practice. They are:

- Standard 1: The Social Worker promoted and acted upon a person centred and outcome led safeguarding process with the individual, their family and their representative
  - Standard 2: The Social Worker assessed and documented a clear and proportionate narrative of risk, opportunity and resolution
  - Standard 3: The Social Worker engaged with stakeholders and partner organisations appropriately to enable the individual to manage their safety and to prevent future harm
  - Standard 4: The Social Worker engaged with stakeholders and partner organisations appropriately to enable others to manage their safety or to prevent future harm
  - Standard 5: The Social Worker received and engaged in supervision Learning from this process is being collated, for report to the Directorate Manage Team and Assessment Team managers.
- Staff who completed individual cases which have been audited have received direct feedback with the aim of building on the good results so far.

Actions:

1. Report from Q1 audit to be completed and reported to the Quality Assurance sub Group of the Safeguarding Adults Board, October 31st 2016. (Practice Manager, PSS Team).

<b>Telecare - proportion of support plans that have Telecare as a component [Corporate]</b>	%	<b>60.00</b>	<b>54.95</b>	 AMBER
				<b>Improving</b>

Position:

The Performance Indicator (PI) measures whether or not Telecare is in place is based on various questions in Social Care records and activities completed by the Living Well team and is reported as a rolling 12 month result.

- Year End 15-16 Qtrs. 1-4 53%
- Quarter 1 16-17: 49%
- Rolling year: July 15-June16: 52%
- Quarter 2 16-17: 54%
- Rolling year October 15-September 16: 54.9%

In July 2016 we introduced a new classification which is immediately visible on the persons social care record and is added as part of the assessment/review process.

Of the 3345 people with community based services & care plans in the period October 15-September 16, 1837 have had the provision of Telecare captured on their record.

This equates to 54.9% of people with current Community Based services identified as having Telecare/Carelink in place by the practitioner involved in their case management.

Demographic Profile:

Of the 1837 people who have had provision of telecare captured in their record the following demographic profile applies:

Gender: 1175 are female and 662 are male.

Ageband: 444 people are aged 18-64, 253 are aged 65-74, 402 are 75-84 and 738 are aged over 85.

Ethnicity: Asian/Asian British: 18, Black / African / Caribbean / Black British: 12, Information Not Yet Obtained: 35, Mixed / multiple ethnic groups: 22, Other ethnic group: 22, White British: 1662, White Irish: 29, White Other: 37.

Commentary:

The year end result for 15-16 was 53% of people with a support plan had Telecare/Carelink in place. Quarter 1 16-17 reported 49%-traditionally we see a dip in performance in quarter 1 each year as we introduce required changes to process and paperwork in the first quarter. In addition people with community services in the previous period may now be living in residential care or no longer receiving

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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services. The slight dip at Quarter 1 rolling year performance also reflects a number of key pressures locally such as issues in the hospital affecting number of referrals to the Living well service from the acute sector. The Living Well service has devised a number of actions to strengthen links with the hospital and promote the service.

Qtr. 2 results indicate that recording has improved with the introduction of the new classification. There is also currently a high number of referrals to the Living Well telecare project. Qtr. 2 actual performance for Quarter 1 + 2 has improved to 54%, rolling year at the end of quarter 2 is 54.9%.

The better care funded initiative 'Telecare: Living Well' started 13 July 2015. This new initiative provides Telecare support and other personalised preventative services to help reduce, prevent or delay the need for care and support. Throughout 15-16 we saw an increase in performance as a result of this initiative and the additional recording of Living Well Care Managers.

We continue to ensure that we are capturing telecare provision at all stages of the assessment process including authorisation of funding. Our data sources have increased and this in turn has improved the robustness of the indicator. We have also revised the denominator cohort to ensure it accurately represents people receiving services in the community who would be eligible for Telecare and have a care plan.

In 2012 a dedicated project was initiated to raise the awareness of the benefits of Telecare and to embed Telecare as a support tool into social care and health practice. Ongoing project work has included regular staff training sessions, delivery of an increased range of Telecare solutions and awareness raising of the benefits of Telecare to community groups through presentations, awareness talks and marketing. Relationship building with the community and voluntary sector has also been an important aspect of the project.

Performance demonstrates that Telecare has become an integral part of social care provision.

We passed our audit and received accreditation in September, there were no improvement notices.

#### Actions:

- 1) Ensure the Telecare project (Telecare: Living Well) continues to deliver against its commissioned outcomes. This provides early help to people who are struggling with aspects of daily living. This project supports both Value for Money and Better Care Fund programmes and provides a preventative service and wellbeing support to local residents. (March 17, Project Manager Assessment Unit).
- 2) Ensure on going promotion (and learning & development) of Telecare is delivered to health and social care professionals and members of the community. (March 17, Project Manager Assessment Unit).
- 3) Ensure Telecare is delivered to the highest standards by achieving on going accreditation from the Telecare services association. (Audit Sept 16. Project Manager Assessment Unit).
- 4) Ensure the latest technological solutions are used to support independent living and to minimise risks. (March 17, Project Manager Assessment Unit).
- 5) Continue to ensure that Telecare is considered, and evidenced, at all stages of the assessment process. (Ongoing, Performance Improvement Managers Assessment Unit).

**The number of alcohol-related hospital admissions per 100,000 population [Corporate]**

No. 707.87 611.28



#### Position:

This Performance Indicator (PI) measures the rate of alcohol related admissions per 100,000 population using Hospital Episode Statistics. An 'admission' is a single occurrence of attendance at hospital. One individual could have a number of 'admissions'.

The latest available data is up to August. There have been 611 alcohol related admissions per 100,000 Brighton and Hove residents between April and August this year. This is against the proxy target of 707, which is to maintain the previous year's performance. This figure is likely to be revised upwards a little as admissions totals tend not to be complete for the most recent month. For complete months, April to July, there were 510 admissions against 558 last year.

There is a positive trend showing a steady reduction in people being admitted to hospital in Brighton &

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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Hove for alcohol related reasons, down from a high point of an average quarterly figure of 569 admissions per 100,000 in 2011/12.

The previous result from the same point last year has been used as a proxy target; the latest result continues the positive trend of reduced numbers of admissions.

Complex methodology is used to create an alcohol attributable fraction that can be applied to each hospital admission. An in-house model uses this figure to create the rates shown above. The fractions have been changed recently at a national level, but it's not possible to incorporate them into the in-house model. However, comparator data is published nationally that takes into account these changes, these are given below.

The latest published comparator data is for Q3, 2015/16. The rate for Brighton and Hove is 436, which compares favourably against England, 529, and the South East, 457 (source LG Inform). It is planned to have a new in-house system in place within a few months that will enable monthly data to be produced on a similar basis.

**Commentary:**

A number of different factors and organisations contribute to the reduction in alcohol related hospital admission rates. Providers of substance misuse treatment services have a role in this, as do Police (with regard to managing the night time economy), Higher Education organisations, local entertainment establishments, retail operators and other health and social care support organisations.

The work of the Alcohol Programme Board, and the associated domain groups, take forward the work streams that address alcohol related harm, including hospital admissions. The reduction in hospital related admissions should reflect the work that has been taken forward in the last two years. This has included a focus on supporting 'frequent returners' to hospital with an alcohol related issue, to address the underlying causes of their alcohol consumption. There has been work with off licences to reduce the amount of high strength beers and ciders available, which has meant that fewer of the 'street drinking' population are consuming high amounts of alcohol, which could result in a hospital admission. In the first six months of 2016/17 there has been an upturn in the alcohol related performance in treatment services. A greater number of individuals are now successfully completing treatment.

**Actions:**

A number of initiatives have been commenced and continue to be rolled out:

1. A number of services exist to help divert inappropriate patients from A&E. These include Safe Space, Taxi Marshalls, and a beach patrol. How these services will be funded going forward is not yet agreed. The impact the absence of any of these services may have is not really understood, but it is likely that more people will present to A&E and require police services. Funding options will be explored throughout 2016/17. (Lead – Alcohol Programme Board, Timescale – ongoing across 2016/17).
2. To look at broader issues around alcohol, the Local Authority and partners will participate in the Alcohol 'CLear', a self-assessment tool supported by Public Health England. This will help the partnership to identify areas to focus on for future development. (Lead – Alcohol Programme Board members led by Commissioner, Timescale – commencing Q2 of 2016/17).
3. Collaborative development work is underway between the mental health services, substance misuse services and the local hospital trust. The aim is to improve communication between the various teams, and ensure that the needs of individuals presenting at the hospital are appropriately met by support agencies. (Lead – CCG commissioners and PH commissioners, Timescale – next meeting 7th November 2016)
4. Public Health England are running a Sector Led Learning event on Alcohol on 14th November 2016. The invitation has been extended to a range of local stakeholders. The aim is to share information and learn from other areas. (Lead – Commissioners, Timescales – 14th Nov 2016).

**Under 18 conception rate per 1,000 women aged 15-17 [Corporate]**

**No.**

**26.10**

**27.90**



**Declining**

**Position:**

Data for under 18 conceptions is lagged and the latest data available relates to Q2 2015

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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The latest local rate is 27.9 per 1,000 15-17 year olds calculated as a rolling average, which is above the 2016/17 target of 26.10. This is a 3% increase locally compared to the same quarter in 14 (27.1 per 1,000). The local quarterly rate remains above the England rate (21.9 per 1,000) and the South East rate (18.3 per 1,000).

- The local quarterly rate remains above the England rate (21.9 per 1,000) and the South East rate (18.3 per 1,000).
- The current rolling average indicates a 42% reduction from the 1998 baseline (December rate) which is below the reduction seen over this time period in the South East (52%) and England (53%).
- Compared to the same quarter in the previous year, the current rolling average indicates a 3% increase compared with decreases of 4% and 6% respectively for the South East and England.

**Commentary:**

Whilst the under 18 conception rate locally shows a long-term downward trend, each quarter from 2014 there has been a slow increase.

The Safe and Well at School Survey 2015 shows that the majority of students aged 14-16 years in Brighton & Hove have not had sex (81%) which has steadily increased from 77% in 2010. Those who have generally know how to access free contraception and know about Emergency Hormonal Contraception.

Public Health has completed the initial stages of the review into the effectiveness of the delivery model for substance misuse (drugs and alcohol), smoking and teenage pregnancy/ sexual health and confirmed that the performance remains below expectations across the separate agreements and change is required. To maximise opportunities within existing resources, the creation of an Integration of young people's services has been agreed by the Public Health DMT. This is increasingly being considered by councils around Child and Adult Mental Health Services (CAMHs), sexual health and substance misuse and is within keeping with national direction of travel as per "2015 the Department of Health and Public Health England published a framework for improving the health of young people", which highlights the importance of ensuring that young people have both integrated services but also specialist support.

**Actions:**

1. To negotiate agreement, align contracts with all delivery partners and agree a project plan to develop an integrated young people's service to improve the PH outcomes areas of alcohol, drugs, smoking and teenage pregnancy and co-produce a specification. (Public Health Children, Young People and Schools Commissioner and Children Services lead to be agreed, October to March 2017).
2. To facilitate two or three stakeholder workshops to examine evidence based interventions across the health themes and identify any staff skills requirements. (Public Health Children, Young People and Schools Commissioner and Children Services lead to be confirmed, November to March 2017).
3. To review the financial implications as part of developing an integrated services. (Public Health Children, Young People and Schools Commissioner and Children Services lead to be confirmed, October to January 2017).

**2016-17 Neighbourhoods Communities & Housing - Quarterly (Corporate)**

<b>Violent crimes with injury [Corporate]</b>	<b>No.</b>	<b>1,116.00</b>	<b>1,427.00</b>	
				<b>Declining</b>

In the first six months of 2016/17 there were 1427 crimes of violence with injury, an increase of 11.0% on the same months in 2015/16.

The target for 2016/17 has been set at the average per 1,000 residents for the 'most similar Community Safety Partnership' group of 15 partnerships. This equates to a decrease of 12.0% compared with the outturn for 2015/16. The amber target has been set at a 7.3% increase which was determined by a straight line projection from a 12 month rolling average over the last six months of 2015/16.

Compared with our benchmarked group of 15 Community Safety Partnerships, Brighton & Hove's

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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performance ranks below average with a rate of 4.2 injury violence crimes per 1,000 compared with 3.8 for the group.

According to A&E statistics, there were 861 attendances at A&E related to assaults in the first half of 2016/17, compared with 717 in the same period last year, a 20% increase.

**Commentary:**

Looking forward it is expected that the data recording issues, which have made the interpretation of police recorded violent crime data difficult, will no longer be affecting the statistics. The increase in the prevalence of violent crime will feature as part of the strategic assessment of community safety in the Autumn. This will inform what action is needed to address the rise.

Further analysis of violent crime by the police reveal where the increases are. From an operational perspective officers are reporting increases in DVSV and public place violent crime .

**Actions:**

1. The Safe in the City Board will consider an analysis of violent crime that will be presented by the police to the Board at the Dec2017 meeting. Violent crime will also be explored in depth as part of a wider strategic assessment in the autumn of 2016 that will inform a revised community safety strategy (Dec2017 Head of Community Safety)
2. Plans are already in place to revise working in relation to DV and SV (Mar2017 Head of Community Safety)

<b>Nitrogen Dioxide levels in Brighton and Hove (µg/m3 - micrograms per cubic meter): Lewes Road (quarterly) [Corporate]</b>	<b>No.</b>	<b>36.00</b>	<b>42.00</b>	 RED
				<b>Declining</b>

**Position:**

The average level Nitrogen Dioxide (NO2) measured at Lewes Road as a 12 month rolling mean up to 30th June 2016 is 42.0 µg/m3 (micrograms per cubic metre). This is the latest data available. There is always a time lag obtaining these results from contractor, TRL. This quarterly data is calibrated and ratified by the contractors before publication. We anticipate that the Q2 data will be available November 2016.

The target of 36 µg/m3 is 90% of the 40µg/m3 is the EU and UK standard, which would mean Brighton and Hove are statistically assured that the EU and UK standard are met. The EU and UK standard (effective since 2010) relates to outdoor air where people are present. To be able to revoke an Air Quality Management Area nitrogen dioxide levels must be less than 40µg/m3 for over a year.

The level of 42.0 µg/m3 demonstrates a slight increase compared to the last reporting period where it was 40.6 µg/m3. In comparison higher concentrations of nitrogen dioxide were recorded during 2014.

**Commentary:**

Continuous automatic monitoring of nitrogen dioxide continues in North Street and Lewes Road Brighton. Between 2009 and 2016 monitoring results suggested that Nitrogen Dioxide levels exceeded the EU and UK standard (annual average). The council therefore has a statutory duty to declare an Air Quality Management Area for Nitrogen Dioxide. This was last declared in 2013. This declaration must be followed by an Air Quality Action Plan that sets out how that council will work towards compliance with Nitrogen Dioxide at the facade of permanent residential dwellings.

Nitrogen Dioxide and particulate in diesel fumes is the second highest risk to overall health after smoking. Carcinogenic emissions influence lung cancer, lung and brain development, lifelong lung capacity, Chronic Obstructive Pulmonary Disease, bronchitis, pneumonia and stroke.

The European Commission can fine member states including the UK for none compliance of air quality legislation most especially the 40 µg/m3 limit for nitrogen dioxide which became legally binding some years ago. The process for enforcement of this provision and whether the fine will be passed to individual local authorities has not been clarified by central government. The BREXIT decision could

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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also result in a review of the air quality objectives. Third parties such as Community Groups or Client Earth can choose to take independent legal action if the limits for the protection of human health are not met.

Proactive measures are being taken to improve emissions of buses, taxis. Modal shift has reduced the number of journeys by private car. Numbers of cars, vans and lorries have also reduced on Lewes Road (by 15%). After works on the Vogue gyratory were completed this may have helped with 12-month average nitrogen dioxide levels despite an increase in journey times during peak periods.

As a result of a successful bid with the Department for Transport, in 2014/15, fifty buses have been retrofitted. A scheme to improve minibus taxi emissions is ongoing and due to be completed by the end of March 2017. To extend this work a further Department for Transport was awarded to Brighton and Hove City Council in 2015/16 for 500k. This funding stream was the Clean Bus Transport Fund which targets reductions of emissions of oxides of nitrogen. This work will include retrofit of a further 35 buses for 2016/17 targeting lower emissions of oxides of nitrogen. The 35 buses are from 2 Sussex based Bus Companies, Brighton and Hove Buses and Sussex Buses (Heritage). These bus providers both operate in the low emission zone in North Street. The retrofits for the Brighton and Hove bus fleet are now underway. In addition Brighton and Hove Buses are procuring of 48 brand new buses during 2016/17. Sussex Bus (Heritage) advised the Council on the 30th September that they are withdrawing from the project before signing the contract. Work has now started in consultation with defra and the Council's Legal Services Team on how to reallocate the remaining £170k. Despite this set back it is anticipated that this project will be completed by March 2017.

The investment in lower emission buses is appearing to have more benefits in the North Street area than the Lewes Road area. This is an expected trend as the North Street low emission zone is dominated by buses.

The air quality action plan was approved at Environment, Transport & Sustainability Committee in October 2015 and this includes a comprehensive set of measures to reduce nitrogen dioxide levels. The Council is required to provide annual status air quality reports to defra and the latest report was submitted in June 2016 in accordance with the statutory timetable. Since then the report has been appraised by the Council's Director of Finance, and is now on the Council's website

**Actions:**

1. In consultation with defra contract another bus partner, operating in the low emission zone, to retrofit their bus fleet using the remaining £170k of funding (Clean Bus Transport Fund by March 2017 (Acting Head of Regulatory Services, March 2017)
2. To ensure that the taxi fleet project funded by the Clean Vehicle Transport Fund is delivered by March 2017 and all retrofits are undertaken (Acting Head of Regulatory Services, March 2017)
3. Continue to monitor and manage the NO2 continuous analyser at Lewes Road (Acting Head of Regulatory Services, Mar 2017)

<b>Nitrogen Dioxide levels in Brighton and Hove (µg/m<sup>3</sup> - micrograms per cubic meter): North Street (quarterly) [Corporate]</b>	<b>No.</b>	<b>36.00</b>	<b>47.30</b>	 RED
				<b>Improving</b>

**Position:**

The average level Nitrogen Dioxide (NO<sub>2</sub>) measured at North Street as a 12 month rolling mean up to 30th June 2016 is 47.3 µg/m<sup>3</sup> (micrograms per cubic metre). This is the latest data available. There is always a time lag obtaining these results from contractor, TRL. This quarterly data is calibrated and ratified by the contractors before publication. We anticipate that the Q2 data will be available November 2016.

The target of 36 µg/m<sup>3</sup> is 90% of the 40µg/m<sup>3</sup> is the EU and UK standard, which would mean Brighton

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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and Hove are statistically assured that the EU and UK standard are met. The EU and UK standard (effective since 2010) relates to outdoor air where people are present. To be able to revoke an Air Quality Management Area nitrogen dioxide levels must be less than 40µg/m3 for over a year.

The level of 47.3 µg/m3 demonstrates a slight improvement compared to the last reporting period where it was 50.3 µg/m3. In comparison higher concentrations of nitrogen dioxide were recorded during 2014. Each quarter has shown a similar reduction since June 2015 where levels were at 63 µg/m3.

Commentary:

Continuous automatic monitoring of nitrogen dioxide continues in North Street and Lewes Road Brighton. Between 2009 and 2016 monitoring results suggested that Nitrogen Dioxide levels exceeded the EU and UK standard (annual average). The council therefore has a statutory duty to declare an Air Quality Management Area for Nitrogen Dioxide. This was last declared in 2013. This declaration must be followed by an Air Quality Action Plan that sets out how that council will work towards compliance with Nitrogen Dioxide at the facade of permanent residential dwellings.

Nitrogen Dioxide and particulate in diesel fumes is the second highest risk to overall health after smoking. Carcinogenic emissions influence lung cancer, lung and brain development, lifelong lung capacity, Chronic Obstructive Pulmonary Disease, bronchitis, pneumonia and stroke.

The European Commission can fine member states including the UK for none compliance of air quality legislation most especially the 40 µg/m3 limit for nitrogen dioxide which became legally binding some years ago. The process for enforcement of this provision and whether the fine will be passed to individual local authorities has not been clarified by central government. The BREXIT decision could also result in a review of the air quality objectives. Third parties such as Community Groups or Client Earth can choose to take independent legal action if the limits for the protection of human health are not met.

Proactive measures are being taken to improve emissions of buses, taxis. Modal shift has reduced the number of journeys by private car. Numbers of cars, vans and lorries have also reduced on Lewes Road (by 15%). After works on the Vogue gyratory were completed this may have helped with 12-month average nitrogen dioxide levels despite an increase in journey times during peak periods.

As a result of a successful bid with the Department for Transport, in 2014/15, fifty buses have been retrofitted. A scheme to improve minibus taxi emissions is ongoing and due to be completed by the end of March 2017. To extend this work a further Department for Transport was awarded to Brighton and Hove City Council in 2015/16 for 500k. This funding stream was the Clean Bus Transport Fund which targets reductions of emissions of oxides of nitrogen This work will include retrofit of a further 35 buses for 2016/17 targeting lower emissions of oxides of nitrogen. The 35 buses are from 2 Sussex based Bus Companies, Brighton and Hove Buses and Sussex Buses (Heritage). These bus providers both operate in the low emission zone in North Street. The retrofits for the Brighton and Hove bus fleet are now underway. In addition Brighton and Hove Buses are procuring of 48 brand new buses during 2016/17. Sussex Bus (Heritage advised the Council on the 30th September that they are withdrawing from the project before signing the contract. Work has now started in consultation with defra and the Council's Legal Services Team on how to reallocate the remaining £170k. Despite this set back it is anticipated that this project will be completed by March 2017.

The investment in lower emission buses is appearing to have more benefits in the North Street area than the Lewes Road area. This is an expected trend as the North Street low emission zone is dominated by buses.

The air quality action plan was approved at Environment, Transport & Sustainability Committee in October 2015 and this includes a comprehensive set of measures to reduce nitrogen dioxide levels. The Council is required to provide annual status air quality reports to defra and the latest report was submitted in June 2016 in accordance with the statutory timetable. Since then the report has been

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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appraised by the Council's Director of Finance, and is now on the Council's website

**Actions:**

1. In consultation with defra contract another bus partner, operating in the low emission zone, to retrofit their bus fleet using the remaining £170k of funding (Clean Bus Transport Fund by March 2017 (Acting Head of Regulatory Services, March 2017)
2. To ensure that the taxi fleet project funded by the Clean Vehicle Transport Fund is delivered by March 2017 and all retrofits are undertaken (Acting Head of Regulatory Services, March 2017)
3. Continue to monitor and manage the NO2 continuous analyser at Lewes Road (Acting Head of Regulatory Services, Mar 2017)

<b>Number of affordable homes delivered per year - new build and conversions (Corporate)</b>	<b>No.</b>	<b>236.00</b>	<b>60.00</b>	 <b>Improving</b>
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**Position**

This indicator measures the number of new affordable homes that are projected to be delivered by the end of the 2016/17 financial year. As of Q2 2016/17, the current end year projection stands at 60. Of these, 50 were delivered in Q2, made up of 13 HRA regeneration properties; 5 HRA Hidden Homes units; 12 traveller pitches and 20 shared ownership flats through one of our Registered Provider partners. Further properties may become available through the year if schemes come forward.

A target of 236 has been set for the 2016/17 financial year. This annual target uses the City Plan target of 30% of new supply being affordable over 2015-2030 projected supply. Although this target will not be met based on the current projection, the aim remains to increase the number of affordable homes delivered.

The projected result represents a decrease compared to the 2015/16 result, when 71 affordable homes were delivered.

Results for the four preceding financial years were 58 in 2011/12, 46 in 2012/13, 164 in 2013/14 and 244 in 2014/15.

No national or neighbourhood comparable information is available.

**Commentary**

Performance is poor compared to the target annual target, as the number of units of affordable housing delivered has been low since 2015/16. Performance slipped in 2015/16 due to an overall adjustment in the housing market, a lull in development of Register Provider schemes following a period of high delivery and the way that Registered Provider schemes are funded / pre-funded (the programme was previously set over a three year period – now it is assessed year on year with schemes brought forward as available) as well of slippage of schemes totalling 80 homes.

The three year programme (2015-18) currently lists an increased total delivery of 282 homes (71 in 2015-16; 60 in 2016-17 and 151 in 2017-18) with a further pipeline forecast of 137 properties with or close to achieving planning approval – including 53 with projected completion in 2018/19. Some of these pipeline properties will move forward within the three years programme and additional units will come forward through CME (Continuous Market Engagement). The regular monitoring of Affordable Housing Development Programme is reviewed at the Affordable Housing Partnership (bi monthly) and monthly Homes and Communities Agency liaison meetings. The New Homes for Neighbourhoods programme and other Council programmes are subject to monitoring and review through the Estate Regeneration Board, which meets every 6 weeks.

City Plan Part 1 adopted March 2016 outlines projects 655 new units per year until 2019 with an average 30% share as affordable. This equates to 196 affordable housing units per year. We await Housing & Planning Act regulations and impact upon delivery of new affordable homes, in particular in relation to the Government focus on supporting low cost home ownership through alignment of funding and planning policy toward delivery of Starter Homes.



INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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#### Actions

1. In order to further increase the supply of new affordable homes additional funding options are being actively investigated including buying new homes off plan and other Special Purpose Vehicle / Joint Venture options. (Head of Housing Strategy, March 2017).
2. Housing continues to work closely with Planning to maximise the amount of affordable homes delivered on new developments, including involvement in CPP2 (City Plan Part 2) consultation taking place 2016/17. (Head of Housing Strategy, March 2017).
3. Affordable Housing Brief to be updated in line with adopted City Plan Part 1 and any relevant legislation agreed through Housing & Planning Act, and then published on the council's website. (Head of Housing Strategy, March 2017).
4. We continue our work in the City and through our Greater Brighton Housing and Growth Working Group on seeking to overcoming barriers to delivering existing housing targets, accelerating delivery of additional housing numbers as well as making best use of available land / identification of new sites. We continue to review innovative housing delivery options, in particular use of housing company / joint venture models to deliver more affordable housing and improve overall supply. This includes proposals to deliver new homes on a living wage rent and ownership basis both to meet housing need and in support of the local economy. Specialist legal advisors have been procured and an update paper is being presented to Strategic Delivery Board on 28 July with a view to recommendations to proceed with agreed housing delivery options to early autumn Committees. (Head of Housing Strategy, March 2017).

**Private sector vacant dwellings returned into occupation or demolished [Corporate]**

No.

79.00

81.00



**Declining**

#### Position

This indicator measures the number of private sector vacant dwellings returned into occupation or demolished. The result during Q2 2016/17 was 34, with 31 dwellings returned into occupation through advice and 3 through Private Sector Leasing (PSL) / management agreements.. The outturn number is likely to increase as further properties are verified as back in use by the Council Tax Team. The empty property team are in constructive dialogue with the owners of 219 properties.

The target is 157 per year which is an average of 38 per quarter. However performance is rarely equal across the quarters. The direction of the target is to increase the number of private sector vacant dwelling returned into occupation or demolished. The combined total of the first two quarters of 2016/17 is 81, which suggests year to date performance is on track. This is equal to the performance result at Q2 2015/16. Please note that the Q1 2016/17 result was reported as 42 at the time, but has since increased to 47 following further 'back in use' confirmation from Council Tax.

Although the target has not been met for the quarter, performance is good because it is on track to meet the target for the year. At present 81 properties have been returned against a target of 157 which is 51% of the total.

#### Commentary

The number of private sector vacant dwellings returned into occupation or demolished remains steady with around 150+ properties a year being returned to use on average. Although reported quarterly the figures should be looked at across the year as there can be seasonal fluctuations. A well-established and systematic approach by the Empty Property Officers has led to this sustained year on year performance. Figures are monitored monthly as part of standard processes. A refreshed enforcement protocol (in development) as a disincentive for owners will assist in improving performance. Lack of funding for incentive offers to owners is an ongoing challenge. Business case considering cost benefits of both enforcement and incentives being explored. Successful New Homes Bonus campaign with council tax colleagues lowering number of empties significantly at time of count impacting positively on eventual overall reward.

Since 2010 the numbers of empty homes returned to use each year has been included in New Homes

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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Bonus calculation. The Empty Property Team carries out an annual joint initiative with Council Tax to ensure that the figure recorded on count day (October each year) is correct. A decrease in the number of empty homes is rewarded by payment per unit reduction equivalent to council tax payable for 6 years as with any new built properties. The payment terms are due to change to five years and then 4 years from 2017 count. Similarly any increase in empty homes numbers are counted against the overall new homes figure – so maintaining a consistent number / reduction is essential.

Income secured through NHB relating to empty properties returned to use since 2010 currently stands at £2.4m, and records an underlying reduction in long term empties of over 200 properties / 22% from 908 to 702 as at October 2015. The most recent count as of October 2016 is believed to have achieved a further reduction in empty property numbers (602) but this will be confirmed in December 2016 with associated income confirmed February 2017. This relates to long term empty properties which are those empty for over six months, and is recorded as a snapshot of a specific day, so does not interfere with the ongoing return to use of empty properties throughout the year.

Progress has been made against action no. 1, with a scoping exercise undertaken in September 2016 for a business case exploring a recyclable funding pot for enforcement action. Action no. 2 has had its expected completion date moved from September 2016 to November 2016.

**Actions**

1. Business case exploring recyclable funding pot for enforcement action ( Empty Property Officers, initial report to HLT planned for November 2016).
2. Empty Property Enforcement Group re-launch in line with revised Empty Property Strategy (Empty Property Officers, December 2016).
3. Business case exploring cost benefits of funding for owners ( Empty Property Officers, January 2017).

**The number of households where homelessness was prevented due to casework by the council and funded partners [Corporate]**

No. 1,104.00 1,062.00



**Position**

The aim is to increase the number of homelessness prevention cases completed by the council and our funded partners. The target for homelessness prevention is 552 per quarter, 2,208 by the 2016/17 year end. This is because the data has to be gathered from other agencies across the City. During Q2 2016/17 a total of 500 households had their homelessness prevented or relieved as a result of prevention casework completed by the council and our partner agencies. 439 households had their homelessness prevented and 61 had their homelessness relieved. 225 households sustained their current accommodation and 275 households were assisted to secure alternative accommodation. 29% (80 of 275) of those households helped to find alternative accommodation were rehoused in the private rented sector and 27% (74 of 275) were rehoused in supported housing. This figure of 500 is below the quarterly target of 552.

In Q1 2016/17 a total of 562 households had their homelessness prevented or relieved. 466 households had their homelessness prevented and 96 had their homelessness relieved. 184 of the 562 households sustained their current accommodation and 378 were assisted to find alternative accommodation. 38% of those households helped to find alternative accommodation were rehoused in the private rented sector and 29% were rehoused in supported housing.

During 2015/16 a total of 2,213 households had their homelessness prevented (averaging 553.25 households per quarter). The total is made up of 1,902 households where their homelessness was prevented and 311 households where their homelessness was relieved. Of 2,213 households 925 were assisted to sustain their current accommodation and 1,288 were assisted into alternative accommodation. 31% of those households helped to find alternative accommodation were rehoused in the private rented sector and 18% were rehoused in supported housing.

The total of 2,213 households who had their homelessness prevented or relieved as a result of prevention casework completed by the council and our partner agencies during 2015/16 shows a declining trend when compared to the figure of 2,538 during 2014/15.

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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The top performing statistical neighbour is Bristol with 22.90 homelessness preventions per 1,000 households (latest published released in June 2016). Brighton & Hove was 2nd with 17.56 preventions per 1,000 households, a 17% reduction on the Brighton & Hove 2014/15 result. Some of this was due to a numerical reduction in prevention and relieved cases (13% decrease in prevention and relief from 2,538 in 2014/15 to 2,213 households in 2015/16) and the remainder due to the number of households used in the base population calculation being increased by 0.8% from 125,000 to 126,000 between 2014/15 and 2015/16. To be the top performing statistical neighbour and exceed Bristol's 2015/16 performance, Brighton & Hove will need to achieve 722 preventions per quarter which is 22.92 per 1,000 households. This is a 30% increase on the 2015/16 actual performance and not considered achievable in light of welfare reforms; the continuing high cost of housing in the south east and the continuing ripple effect from reductions in Legal Aid support to advice agencies. To remain in the top quartile of our statistical neighbours, performance has to exceed 10.31 preventions and reliefs per 1,000 households which represents 325 households per quarter. This target is considered too low and not challenging. An additional consideration that preventions are dependent on the number of people approaching the council and partners for support and it could be argued that a reducing target is more appropriate as this would signify fewer households in need. The agreed target for 2016/17 therefore has been set at 552 per quarter which will maintain the 2015/16 performance

#### Commentary

There has been a substantial reduction in the figures and some of this relates to the reduced activity of Brighton Housing Trust (BHT) and cuts to legal aid. This is also in the context of a toughening climate mainly due to welfare reform in an area of high housing costs which renders prevention much more challenging. There is ongoing good work taking place in preventing significant numbers of households becoming homeless, but this also demonstrates high levels of pressure in the city for households to maintain their housing. It is envisaged that the situation will worsen with further welfare benefit cuts and also the introduction of Universal Credit in this area later in the year. The financial implications are that statutory homeless households will likely require temporary accommodation and will likely remain there for longer as there are fewer options to access the private rented sector. There will therefore be an upward pressure on the temporary accommodation budget.

#### Actions

1. Work jointly with partners in children's services and adult social care and health to identify people who may potentially become homeless at a much earlier stage with a view to prevention (Head of Temporary Accommodation & Allocation, March 2017).
2. Explore possibilities for obtaining affordable accommodation in other locations around the country as an option for people who may prefer to move. We have now subscribed to Homefinder UK which will facilitate people moving to other areas. Staff training completed and system is now up and running. Take up will be monitored within the performance indicators - (Head of Temporary Accommodation & Allocations April 2017).

<b>Housing Tenants: Rent collected as proportion of rent due [Corporate]</b>	%	<b>98.50</b>	<b>98.85</b>	 GREEN
				<b>Declining</b>

#### Position

As of Quarter 2, the rent collection rate for the 2016/17 financial year is forecast at 98.85%. The forecast is calculated based on the expected rent due from Housing Revenue Account (HRA) dwellings over the financial year and on the level of current tenant arrears as of the end of September, which stand at £586k.

The target of 98.50% by end 2016/17 is set locally by the Housing Leadership Team. The target is an increase on the 2015/16 target of 98.40%. Although performance during 2015/16 was higher than this, at 98.77%, the target has not been set as such because it is unlikely to be achievable in the face of the roll-out of Universal Credit (UC), although this is currently delayed.

The forecast end year rent collection rate has decreased slightly between Q1 2016/17 and Q2 2016/17,

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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from 98.91% to 98.85%, but is nonetheless in excess of the target and in line with seasonal trends.

The current result is also an improvement upon the 2015/16 result of 98.77%.

Performance around rent collection and arrears is benchmarked using data from Housemark for the 2015/16 financial year, which indicates that Brighton & Hove ranks among the top quartile (top 25%) of highest performing social housing providers (both local authorities and housing associations). The 98.50% target has been set to maintain this position.

Council tenants aged 65 and over are much less likely to be in arrears (8%) than tenants aged under 65 (27%). Older tenants are more likely to receive full Housing Benefit and are generally not directly affected by recent welfare reforms.

#### Commentary

Performance is good and is in excess of the target. This is because of a successful drive to reduce rent arrears. The ability to collect rents from tenants has a significant financial impact because it determines the resources available to spend on the management and maintenance of tenants' properties through the Housing Revenue Account (HRA).

The principal challenges facing the service are the rollout of Universal Credit and changes that may be introduced from the Housing & Planning Act (eg the sale of higher value council homes and "Pay to Stay"). Although the rollout of Universal Credit has been delayed, the number of cases and their related arrears are likely to grow during the current financial year. The new, lower benefit cap comes into effect from November 2016, which may also impact on collections rates.

Since Q1 2016/17, data analysis has been carried out to identify tenants who are paying in arrears.

This will be used by the Income Management team to contact them in order to encourage them to pay in advance.

#### Actions

1. Use data analysis of tenants who are paying in arrears to encourage them to pay in advance (Income Services Managers, Dec 2016).
2. Continue to attend benchmarking type clubs e.g. Housemark and Rent Income Excellence Network meetings (Housing Income Manager, Income Services Managers, Performance & Improvement Officer, Mar 2017).
3. Carrying out further analysis to get a better understanding of the impact of wider welfare reforms (e.g. Employment and Support Allowance (ESA)/Job Seekers Allowance (JSA) benefits sanctions, delays in Disability Living Allowance (DLA)/Personal Independence Payment (PIP) (Performance & Improvement Officer, Performance & Data Analyst, Dec 2016).
4. Meeting with social landlords in the city regarding preparations for the introduction of Universal Credit and sharing learning and/or relevant practices (Head of Income, Involvement & Improvement, Mar 2017).
5. Considering incentives for paying rent and more making regular payments (Income Services Managers, Mar 2017).
6. Looking at behavioural science techniques that encourage responsible actions around rent payment and actions to minimise personal debt (Head of Income, Involvement & Improvement, Dec 2016).
7. Keeping under review the practices within the team to encourage innovation and improvement (Income Services Managers, Mar 2017).
8. Ensuring staff continue to receive comprehensive training on all aspects of Welfare Reform and efficient processes for Income Management (Housing Income Manager, Mar 2017).
9. Looking at how technology can support income collection and arrears minimisation e.g. Housing app, text message notifications/reminders, mobile working possibilities (Performance & Improvement Manager, Mar 2017).
10. Formalise the Housing's response to new Universal Credit claims in advance of wider rollout, to ensure the quickest, most efficient and consistent service is offered to those who are affected. (Performance & Improvement Officer, March 2017)
11. Undertake an intensive visiting project to all of those likely to be affected by the benefit cap to explore possible exemptions and to minimise any impact (Income Service Managers, Dec 2016)
12. A door knocking campaign to reach all general needs tenants is starting in November (Performance

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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& Improvement Officer, Dec 2016).

13. Develop a pre-tenancy online 'Better Start' guide to help prospective tenants get into the best financial position before their tenancy begins (Performance & Improvement Officer, Dec 2016).

14. Once the outcome of the current service redesign formal consultation is known, as part of the proposed changes we will be reviewing Housing Income Management Team processes and procedures to ensure they support tenancy sustainment, that we have good linkages and robust information exchange with the Department for Work & Pensions, and that we are working as effectively as possible to deliver effective value for money services to tenants that maximises rental income to the Housing Revenue Account. (Income Service Managers, Dec 2016).

15. Look into the feasibility of further modernising our payment systems to make them both more cost effective for the council and easy for tenants to use (Performance & Improvement Officer, Dec 2016).

<b>The percentage of the council's homes that do not meet the government's Decent Homes Standard [Corporate]</b>	%	0.00	0.00	 <b>No change</b>
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#### Position

At the end of September 2016, 0% of HRA owned and managed dwellings did not meet the governments Decent Homes Standard. This has been maintained at 100% since September 2015. The target is to maintain 100% decency (or 0% non-decent) throughout the year.

#### Commentary

The decent homes 100% standard was first achieved in December 2013. Currently 100% of our Council Housing Stock maintains the Decent Homes Standard. Properties drop out of the Decent Homes Standard on the 1st of January each year.

#### Action

1. Ongoing monitoring of properties that meet the decent homes standard. Properties drop out of the Decent Homes Standard on the 1st of January each year. (Head of Housing Property & Investment)

### 2016-17 Strategy Governance & Law - Quarterly (Corporate)

<b>Whistleblowing Allegations received (trend) [Corporate]</b>	No.	7.00	Trend
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#### Position:

4 whistleblowing allegations were received between July & September (7 year to date) there were 6 for the same period in 2015/16 (10 year to date).

This indicator is set up to measure the trend of the numbers of whistleblowing allegations received and as such has no target set for the year. It is a local measure, there is no comparator information available.

#### Commentary:

All whistleblowing allegations received have been or are being investigated. The Monitoring Officer, Head of Human Resources and Organisational Development and the Head of Internal Audit have met regularly during 2015/16 to review progress on whistle blowing cases and to identify any common themes or issues that might require wider consideration.

Progress on whistle blowing was reported to the June 2016 Audit & Standards Committee as part of the Annual Governance Statement.

The whistle blowing policy has been publicised as part of the refreshed approach to Fraud & Corruption awareness including:

- fraud e-learning awareness programme (completed by more than 800 members of staff)
- updated the counter-fraud strategy and framework (approved by Audit & Standards Committee in June 2016)

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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Monitoring of whistleblowing in the council is now more robust and continues to be improved; we have more reliable data, better monitoring, better publicity and greater numbers of allegations received. For 2016/17 whistleblowing will inform the council's Corporate Risk Assurance Framework (to be reported to Audit & Standards Committee January 2017).

Actions:

- 1) Further publicity and monitoring of the system will take place during the year as part of publicising the council's approach to counter-fraud; this will be an ongoing process through ELT briefing, messages on the website, payslips etc. (March 2017 Head of Law)
- 2) The whistle blowing policy will be reviewed and an update report submitted to Audit & Standards Committee (March 2017, Head of Law).

<b>Number of Stage 1 Complaints received by corporate Customer Feedback Team (Organisational result) [Corporate]</b>	<b>No.</b>	<b>744.24</b>	<b>877.00</b>	 RED
				<b>Declining</b>

Number of all Stage One complaints

Position:

This information relates to complaints from members of the public about all services delivered by the Council including statutory Adult Social Care, Children Social Care and Corporate Complaints.

The target for 2016/17 is to drive continued improvement with a 5% reduction on the result of the preceding twelve months. The annual result for 2015/16 was 1567, the green target is 1488, which is 372 per quarter. The result for Q1 (March to May) was 460 which was Red, and for Q2 (June to Aug) there were 407 complaints and remains a Red rating. The direction of travel is improving.

For key services in Q2 the number of complaints, direction of travel compared to Q1 and main issues of complaint were:

- City Parks = 21 (Red/Worsening); Grass Verges, Weeding
- Sport & Leisure = 10 (Red/Worsening); Disagree with decision
- Cityclean = 108 (Red/Improving); Recycling missed, Refuse collection missed, Failure to provide bins, Street cleaning not done
- Parking = 27 (Green/Improving); PCN, Parking Permits, Pay & Display
- Highways = 13 (Green/Improving); Road Safety, Road Repairs, Streetlighting
- Development Management = 4 (Green/Improving); Disagree with decision
- Tourism & Venues = 0 (Green / Level)
- Revenues & Benefits = 29 (Green/Improving); Legal Action, Incorrect Assessment,
- Childrens Social Care = 17 (Green/Worsening) Unhappy with SW, Not supporting parent
- Health & Disability = 2 (Green/Level); Delay, Unhappy with decision
- Education & Skills = 1 (Green/Improving); Unhappy with decision
- ASC = 12 (Green/Improving); Quality of services
- Repairs & Maintenance = 72 (Red/Level) Delay completing repair, Communication
- Regulatory Services = 8 (Red/Level); Failure to take action, disagree with decision
- Housing Services = 31 (Red/Improving); Low level ASB, Lack of action
- Housing Needs = 23 (Green/Improving); Banding, Disagree with decision

- Life Events = 5 (Green/Improving); Poor delivery of service

Few other local authorities provide their annual complaints data and where they do the corporate complaints processes used often differ so that direct comparisons are not easily made.

For 2015/16 67% of replies were sent within 10 working days, 12% took longer than 20 working days. In Quarter 1 2016/17 61% of replies were sent within 10 working days, 18% took longer than 20 working days. In Q2 61% were replied to within 10 working days, 17% have taken longer than 20 working days but at the time of writing 24 complaints had not been replied to and the final figure will be adjusted

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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when the results are available. Response times are clearly taking longer than in 2015/16.

The Customer Feedback Team issues weekly reminders to all members of CMT which show what complaints have not been replied to. The teams that are having the greatest difficulty responding in a timely manner are City Clean, Housing Options and Development Management.

**Commentary:**


The Customer Feedback Team review Customer Feedback results with all major teams. There are six teams where the number of complaints received have been classified as Red (City Clean, City Parks, Sports & Leisure, Repairs & Maintenance, Housing Services and Regulatory Services) and of this group there are three teams (City Parks, Sports & Leisure, and Children's Social Care) where the number of complaints have increased compared to Q1. In all other services the complaint numbers are either level or reducing.

Comments from the services where there are increased complaints were:

- City Parks acknowledge there have been increased complaints with regard to the upkeep of allotments, parks and sports pitches. City Parks are working with sports clubs, governing bodies and other interested parties to identify how grounds maintenance can be funded in different ways.
- Sports & Leisure, the Head of Service considered the increased complaint numbers was understandable in the context of the increased numbers of visitors during the summer season. There are a whole range of improvements being made to the seafront and one of the latest improvements will be to the Volks Railway following the securing of external funding. As reported in Q1 much work is done by event organisers to minimise the impact of events on local people and visitors who do not wish to take part in the events.
- Children's Social Care saw a significant decrease in complaints in Q1 as a result of their new delivery model, there has been a very small increase in Q2 but this may be considered a minor fluctuation in complaint level and is not indicative of an increasing trend. This service are now communicating recommendations arising from customer feedback to all their practitioners.

**Actions:**

1. Analyse and learn from best practice within the council and share with all services. (Mar 17, Action Lead: Head of Performance Improvement & Programmes)
2. City Clean. Priority has been given to the introduction income generating commercial work. This may impact on previously planned work to improve in cab communications using mobile technology for which there is no longer a target date. (Action Date: Ongoing Action Lead: Waste Contracts & Projects Manager)
3. City Clean. Online ordering process and assessment of qualification for larger refuse bins being reviewed. (Action Date: Ongoing. Action Lead: Waste Contracts & Projects Manager)
4. In City Clean greater emphasis has been placed on Enforcement and dealing with Fly Tipping, 800 fines have been issued in the city since April compared to 80 in the whole of last year. This has had a positive impact on littering and street waste in the city and will enable investment in moveable cctv to be located at fly tipping hotspots, improving the environment for residents. (Action Date: Ongoing. Action Lead: Waste Contracts & Projects Manager.)
5. Housing Repairs & Maintenance: There is a new text service for responsive repairs. A text is automatically sent out when a job order is closed asking for feedback. The resident can respond by text and if they raise any outstanding issues or concerns, they will receive a call within 24 hours and a resolution will be found. (Action Date: September 2016. Action Lead: Head of Housing Strategy Property & Investment)
6. Implementation of system to create better understanding of repair requirements to housing stock to be implemented. Action Date: March 2017. Action Lead: Business & Performance Manager.
7. Revised tenant repairs handbook. (Action Date: March 2017. Action Lead: Customer Service Manager.)
8. Housing Services: The re-organisation of the service with a more efficient structure and improved focus on vulnerable people and the need for residents to contact fewer people. It is anticipated this will lead to fewer complaints. (Action Date: October 2016. Action Lead: Assistant Director – Housing)
9. Benefits & Revenues: A set of measures with a digital focus appear to have had an impact on reducing the number of complaints received. These include student discounts, exemptions, direct

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
debits, an online benefit form, and online questions. A text service now reminds people when they are late in making payments. People are being encouraged to make use of online services and E Billing will be introduced for next financial year. (Action date: April 2017, Action lead: Head of Benefits & Revenues.)				
10. Parking: A “self serve” system is being introduced where customers can access information online when they are issued with a PCN . It will enable people to fully understand why a Penalty Charge Notice (PCN) has been issued and help them understand if they are likely to be successful in an appeal. (Action date: November 2016. Action Lead: Parking Strategy.)				
11. All overdue complaints are made known to senior managers in a weekly publicised list. (Action Date: Ongoing. Action Lead: Customer Experience Lead)				
12. Quarterly meetings with heads of service to review complaints performance. (Action Date: Ongoing. Action Lead: Customer Feedback Managers)				
<b>% of Stage 1 Complaints upheld or partially upheld including Adults and Children’s Social Care (Organisational Result) [Corporate]</b>	<b>%</b>	<b>28.00</b>	<b>36.15</b>	 <b>Improving</b>

**Position:**

This Performance Indicator (PI) measures the number of complaints in the first stage of our complaints process which were wholly or partially upheld expressed as a percentage of the total number of stage one complaints that have been completed.

The time period reported for Q1 is March to May and for Q2 it is June to August. This is to allow time for stage 2 requests received at the end of the period to be concluded.

Teams should endeavour to avoid issues of dissatisfaction becoming formal complaints by resolving the matter with their customers. This is good customer service and avoids the cost of engaging the complaint process. If a team identifies there has been a mistake team members should be have the skills, the knowledge and be empowered to resolve the issue.

The average percentage of complaints upheld or partially upheld over the two year period 2013/14 and 2014/15 was 39% across all services. Result for the year 2015/16 was 31.0% (468/1567). For 2016/17 a target of 28% will continue that trend by setting a 10% improvement.

In the reporting period 2016/17 Q1 there were 460 Stage One complaints of which 155 were upheld or partially upheld. This gives a figure of 34%, and had a Red rating. The direction of travel was worsening. For the period 2016/17 Q2 there were 407 complaints of which 168 were upheld or partially upheld. This is gives a figure of 41% and continues to have a Red rating and a direction of travel which is worsening.

There is no comparator information available from other authorities.

**Commentary:**

We have complaints data about all service teams but more closely monitor and report on the activity of a group of services who have a high profile or significant levels of complaint. Services with higher than the target level of upheld or partially upheld complaints and where the trend was not improving in Q2 were:

- City Clean: In Q2 there were 108 complaints of which 74 were upheld (=68%) compared to 38% in Q1. The issues driving complaints are Missed recycling collection, Missed refuse collection, and Failure to provide bins. Problems with call handling have impacted on dealing with missed collections, the Service Level Agreement for missed collections is 24hrs, but many email reports were not being picked up within that time. Difficulties with staffing levels are contributing to the increased percentage of valid complaints. Permanent recruitment is now taking place and this should help resolve the underlying issues.
- City Parks: In Q2 there were 21 complaints of which 8 were upheld (=38%) compared to 20% in Q1. The key issues have been growth of weeds and lack of verge cutting. City Parks accept this has been an issue for them and there are greater issues they face regarding the upkeep of, allotments, parks and sports pitches. City Parks are working with sports clubs, governing bodies and other interested parties to identify how grounds maintenance can be funded.
- Children’s Social Care: In Q2 there were 17 complaints of which 7 were upheld (=40%) compared to



INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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33% in Q1. Complaints about Children’s Social Care are often complex and multi-stranded and the issues are highly emotional. It frequently follows that in the course of resolving a complaint Managers will identify areas of the service which could have been better delivered. Children’s Social Care have developed and are using a system for communicating service improvements to all practitioners on a quarterly basis.

- ASC: In Q2 there were 21 complaints of which 9 were upheld (=42%) compared to 43% in Q1. Similarly to Children’s Social Care the complaints are often complex and multi-stranded and it is often found that a part of the overall complaint is upheld. ASC are about to introduce Electronic Self Assessment which will minimise the double handling of data, freeing staff to focus on other tasks and reducing waiting times.
- Repairs & Maintenance: In Q2 there were 72 complaints of which 41 were upheld (=57%) compared to 53% in Q1. A new text service for responsive repairs seeking feedback on all closed works. If any outstanding issues or concerns are raised the tenant will be called within 24 hours and a resolution arranged. This should reduce complaints and the percentage of upheld issues.
- Life Events: In Q2 there were 5 complaints of which 3 were upheld (=60%) compared to 38% in Q1. There is going to be a trial on different method to trace next of kin in Public Health referrals, to assess improved success rate. There will be changes to how Woodland Walk memorials are offered, to increase options available to families.

**Actions:**

1. City Clean: Permanent recruitment of staff for the contact centre will bring improvements in the communication and reporting of missed collections. (November 2016, Action Lead: Head of Business Support and Projects).
2. City Parks: Discussions are taking place to identify alternative ways in which grounds can be maintained. (Ongoing, Action Lead Policy and Major Projects Manager).
3. Adults Social Care: Introduction of Electronic Self Assessment will stream line process. (December 2016, Action Lead: General Manager).
4. Repairs & Maintenance: A new text service to check if there are outstanding issues following repairs work has gone live. (October 2016, Action Lead: Head of Housing Strategy Property & Investment).
5. Life Events: New methods for tracing next of kin and changes to woodland walk memorials. (November 2016, Action Lead: City Services Manager).

<b>% of Stage 2 Complaints upheld or partially upheld including Children's Social Care (Organisational Result) [Corporate]</b>	<b>%</b>	<b>15.00</b>	<b>12.99</b>	 <b>GREEN</b>
				<b>Improving</b>

**Position**

Stage 2 complaints are investigated by the Customer Feedback Managers who are independent of services. A low percentage of upheld or partially upheld results at Stage 2 can indicate that service managers carrying out Stage 1 investigations have reached a fair and reasonable decision. The target result for 2016/17 Stage 2 complaints upheld or partially upheld is 15%. Using the same reporting period for each quarter as for Stage 1 complaints the Q1 (March – May) result was been 21% which was Amber where there was a slight improvement on the 2015/16 figure. The result for Q2 (June – August) is 13% and is Green. The direction of travel is improving.

There is no comparator information available from other authorities about the percentage of Stage 2 complaints upheld.

**Commentary**

Heads of Service tell us that greater effort is being placed on resolving customer dissatisfaction by their managers. To assist in this Customer Feedback Managers hold quarterly meetings with Heads of Services and Senior Managers where there is discussion about the quality of responses. Additionally, the Customer Feedback Team offer training in developing investigations skills and identifying service improvement as part of the Council wide learning programme and on an ad-hoc basis where a learning need is identified. Feedback received from delegates who have attended is that the workshops are very informative and useful. This appears to be having a positive effect on the quality of Stage 1 complaints

INDICATOR	UNIT	TARGET	ACTUAL	STATUS
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and is reducing the cases upheld at Stage 2.

The challenge for the future will be to continue to improve the skills of all managers and their teams so that people who have raised complaints at Stage 1 can recognise that their issue has been fairly investigated and that they have been treated with empathy and respect. Recognising when something has gone wrong, giving an explanation and a meaningful apology in a timely manner is really important for improving overall customer satisfaction.

Progress has been good in Q2 and only a few teams have higher than the target level of upheld or partially upheld complaints at Stage 2 and a trend which was not improving. However it should be noted that as there are only a small number of Stage 2 cases for each team an increase of 1 upheld case can cause a big percentage change.

- City Clean: In Q2 there were 108 Stage 1 complaints which have resulted in 5 Stage 2 complaints (Escalation rate=4.6%). Of those 5 complaints 2 were upheld (40%). In Q1 there were 5 Stage 2 and 1 was upheld (20%).
- Parking: In Q2 there were 25 Stage 1 complaints which have resulted in 4 Stage 2 complaints (Escalation rate=16%). Of those 4 complaints 1 was upheld (25%). In Q1 there were 3 Stage 2 and 0 were upheld (0%).
- Housing Needs: In Q2 there were 23 Stage 1 complaints which have resulted in 4 Stage 2 complaints (Escalation rate=17.3%). Of those 4 complaints 1 was upheld (25%). In Q1 there were 8 Stage 2 and 2 were upheld (25%).
- Revenues & Benefits: In Q2 there were 29 Stage 1 complaints which have resulted in 4 Stage 2 complaints (Escalation rate=13.7%). Of those 4 complaints 1 was upheld (25%). In Q1 there were 4 Stage 2 and 0 were upheld (0%).

Actions:

1. The Customer Feedback Team will continue to provide support, advice and training to enable service managers to give high quality response to complaints which focus on either resolving matters or giving clear explanations why service have to be delivered as they are. (Ongoing, Action Lead: Customer Experience Lead)
2. The Customer Feedback Managers will continue to meet with service managers to identify service improvements and to improve the quality of Stage One replies. (Ongoing, Action Lead: Customer Experience Lead)

<b>Number of compliments received</b>	<b>No.</b>	<b>430.00</b>	<b>430.00</b>	
<b>[Corporate]</b>				<b>Improving</b>

Position

For 2015/16 the total number of compliments recorded was 781, a 10% improvement for the year is 860 (215 per quarter). For 2016/17 Q1 there were 214 compliments, this is an Amber rating. In Q2 there were there were 216 which is a Green rating and a slight increase.

In Q1 88% of compliments received were from members of the public and 12% from professionals. In Q2 91% (196) of compliments received were from members of the public and 9% (20) from professionals.

By professionals we mean colleagues from other departments and people working in other agencies or partner organisations. In Q2 we have started to separate the external and internal professionals' compliments.

The reasons for compliments from members of the public were:

Customer Focus	Q2= 83(42%)	Q1=89(47%)	15/16=21(33%)
Personal Qualities	Q2= 27(13%)	Q1=40(21%)	15/16=132(20%)
Good Processes	Q2= 65(33%)	Q1=33(18%)	15/16=112(17%)
Quality of Outcome	Q2=11(6%)	Q1=17(9%)	15/16=107(16%)
Quality of Input	Q2=10 (6%)	Q1=9(5%)	15/16=79(12%)

The reasons for compliments from professionals were:

Customer Focus	Q2=10(50%)	Q1=10(40%)	15/16=18(14%)
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INDICATOR			UNIT	TARGET	ACTUAL	STATUS
Quality of Input	Q2=5(25%)	Q1=6(24%)	15/16=36(29%)			
Personal Qualities	Q2=1(5%)	Q1=4(16%)	15/16=30(24%)			
Quality of Outcome	Q2=3(15%)	Q1=3(12%)	15/16=10(8%)			
Good Process	Q2=1(5%)	Q1=2(8%)	15/16=31(25%)			

In Q2 the results by Directorate were:

- Economy, Environment & Culture Q2=80 Q1=59
- Families, Children & Learning Q2=23 Q1=34
- Finance & Resources Q2=10 Q1=20
- Health & Adult Social Care Q2=56 Q1=47
- Neighbourhoods, Communities & Housing Q2=38 Q1=46
- Strategy Governance & Law Q2=9 Q1=8

There is no comparator information available from other authorities.

#### Commentary

The guidance we are giving to help people understand what we mean by compliments is:

“A compliment is when someone makes a proactive attempt to congratulate a service provider and explains why they appreciated the service provided.”

During Customer Service week we published a selection of compliment on the wave to encourage services to tell us about the compliments they receive so we can review them and identify and share the good things customers comment on. Compliments are included in the quarterly discussions between service leads and Customer Feedback Managers to inform service improvements.

Some service areas have reported a significant increase in the compliments they receive.

#### Actions:

1. The Customer Feedback Team will continue to encourage and remind teams to send their compliments to Customer Feedback using the generic email address as this will enable us to build a picture of what customers find valuable. (Action Date: Ongoing. Action Lead: Customer Experience Lead)
2. The value of Compliments is promoted in the Complaints Investigation and Service Improvement workshops. (Action Date: Ongoing. Action Lead: Customer Experience Lead)
3. Analyse compliments received and discuss with services leads in quarterly meetings to inform service improvements (Action Date: Ongoing, Action Lead: Customer Feedback Managers)



<b>Subject:</b>	<b>Timetable of Meetings 2017/18</b>		
<b>Date of Meeting:</b>	<b>8 December 2016</b>		
<b>Report of:</b>	<b>Monitoring Officer</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Mark Wall</b>	<b>Tel: 01273 291006</b>
	<b>Email:</b>	<a href="mailto:mark.wall@brighton-hove.gov.uk">mark.wall@brighton-hove.gov.uk</a>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 To consider the proposed schedule of meetings for the municipal year 2017/18 (see appendix 2) based on the current meetings timetable.

**2. RECOMMENDATIONS:**

- 2.1 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.

**3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 The report outlines the proposed schedule of meetings for 2017/18 and enables Members and members of the public to identify when various committees are due to meet throughout the year.

**4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 4.1 The proposed timetable for 2017/18 maintains a similar cycle of meetings to those in 2016/17. It takes into account the additional meetings of the Health & Wellbeing Board, the Greater Brighton Economic Board and various project boards, as well as changes to school holiday periods. In summary, the proposals are:-

Full Council:

5 Ordinary Council meetings, plus the Annual Council and Budget Council

Policy Committees:

Policy, Resources & Growth:	7 meetings
Children, Young People & Skills:	5 meetings
Economic Development & Culture:	5 meetings
Environment, Transport & Sustainability:	5 meetings
Housing & New Homes:	5 meetings
Neighbourhoods, Communities & Equalities	5 meetings

Regulatory Committees:

Planning:	12 meetings
Audit & Standards:	4 meetings
Licensing:	3 meetings

Sub-Committees:

Licensing Panels:	Weekly
Personnel Appeals:	3/4 per Month

Health Overview & Scrutiny Committee:

Health Overview & Scrutiny:	4 meetings
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Forums/Other Bodies:

Corporate Parenting Board:	Quarterly
Procurement Board	Monthly
Strategic Delivery Board	Monthly

Partnerships:

Greater Brighton Economic Board	Quarterly
Health & Wellbeing Board:	6 meetings

- 4.2 The proposed timetable for 2017/18 provides for a total of 61 committee meetings, 10 partnership board meetings and 26 board meetings, excluding the number of licensing panels and personnel appeals (see Appendix 2).

**Governing Principles for the Meetings Timetable**

- 4.3 The following guidelines have been applied in reviewing the meetings timetable:
- As far as possible clashes of meetings have been avoided. However, inevitably, given the constraints of avoiding school/public/religious holidays and the number of meetings to be accommodated on specific days of the week, there are occasions where there are overlaps of meetings.
  - What appear at the moment to be “free” days will be filled by Licensing Panel hearings and the various Chairs’ pre-meetings and political group meetings.
  - As far as possible meetings have not been scheduled on Fridays.
  - As far as possible school holidays, religious holidays and party conference weeks have been avoided, although it has not been possible to keep those weeks completely clear.
  - Meeting start times are generally scheduled for 4pm or later to encourage public attendance. However, Committees can determine whether to continue with the programmed start time or if an alternative time would be more appropriate for their particular meeting.

- 4.4 There must be a sufficient number of meetings to enable the council business to be transacted. The schedule of Council and Committee meetings is designed to ensure that:
- Committee and scrutiny reports can be received without undue delay;
  - Consideration of the various plans and strategies to be adopted by Full Council can be accommodated;
  - There is scope to accommodate city-wide debates if necessary; and
  - Public interest and participation through questions, deputations, petitions and petition debates continues to be facilitated.
- 4.5 The Health Overview & Scrutiny Committee is programmed to meet quarterly in line with the Overview and Scrutiny rules.
- 4.6 Whilst every effort will be made to keep meetings on the dates listed there may be a need to alter them and additional meetings may be required for dedicated debates on key issues or particular plans and strategies.
- 4.7 As usual, a number of further meetings, which are not part of the Council's formal meetings cycle, have been programmed to meet on a regular basis e.g. the Health & Wellbeing Board, Procurement Board, the Corporate Parenting Board, the Strategic Delivery Board and the Greater Brighton Economic Board.
- 4.8 An additional day for a reconvened Budget Council meeting has also be included in the proposed time-table so that the date can be held in diaries should the need arise for such a meeting.

## **5. COMMUNITY ENGAGEMENT & CONSULTATION**

- 5.1 Leading Members, Directors and appropriate officers have been consulted on the proposed timetable and appropriate committee and council dates set to meet statutory requirements e.g. Budget Council.

## **6. CONCLUSION**

- 6.1 The time table also lists the dates and times of other meetings such as the Police & Crime Panel and East Sussex Fire Authority and the Brighton & Hove Strategic Partnership Board; and as such there are occasional clashes with council meetings which are unavoidable.

## **7. FINANCIAL & OTHER IMPLICATIONS:**

### Financial Implications:

- 7.1 The overall number of meetings proposed is similar to the current financial year and so not expected to have any significant financial implications. The additional costs for hire, security and refreshments arising from the decision to continue to hold Neighbourhoods, Communities & Equalities Committee meetings in venues across the city will be met from the Democratic Services budget.

*Finance Officer Consulted: Peter Francis*

*Date: 31.10.16*

Legal Implications:

- 7.2 The proposed time table of meetings does not prevent the calling of Special Meetings or the use of Urgency Sub-Committee meetings should circumstances arise. However it does enable a more organised scheduling of meetings to be maintained throughout the municipal year.
- 7.3 The proposed time table allows for continued compliance with the Access to Information Procedure Rules set out in Part 7.1 of the Constitution

*Lawyer Consulted:*

*Abraham Ghebre-Ghiorghis*

*Date: 31.10.16*

Equalities Implications:

- 7.4 The majority of meetings are scheduled for 4.00pm or later to encourage public attendance and interest. Holiday periods are also avoided as far as is feasible.
- 7.5 The scheduling of meetings at 4.00pm or later does impact on some Members in regard to work and child care commitments and therefore may restrict their ability to serve on certain committees. However, the question of earlier start times has been raised and discussed at various levels and the majority of Members remain in favour of the general start time of 4.00pm for committee meetings.

Sustainability Implications:

- 7.6 There are no sustainability implications arising from the report.

Any Other Significant Implications:

- 7.7 There are no other significant implications arising from the report.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Other implications
2. Proposed time table of meetings for 2017-18

### **Documents in Members' Rooms**

1. None

### **Background Documents**

1. Committee time table for 2016-17



**Other Implications:**

Crime & Disorder Implications:

- 1.1 There are no direct crime & disorder implications arising from the report, however considerations are taken into account for each meeting and security arrangements put in place accordingly.

Risk and Opportunity Management Implications:

- 1.2 The scheduling of meetings aims to accommodate the decision-making processes for the year, but there is always the possibility of additional meetings having to be called.

Public Health Implications:

- 1.3 There are no public health implications in the report and all venues to be used have been assessed for access, hearing loops and health and safety measures.

Corporate / Citywide Implications:

- 1.4 The scheduling of meetings accommodates the Council priority for open and effective city leadership.



# **BRIGHTON & HOVE CITY COUNCIL**

## **TIMETABLE OF MEETINGS 2017/18**

2017	APRIL	APRIL	APRIL	APRIL	MAY	MAY	MAY
MONDAY	3 <i>Orbis Public Law Joint Cttee</i> 11.30am <i>Orbis Joint Cttee</i> 2.00pm <i>Better Brighton Board</i> 3.00pm	10 SH Personnel Appeals 10am	17 BH <i>Easter Monday – Christian</i>	24 Personnel Appeals 10am	1 BH <i>May Day</i> <i>Yom HaAtzma'ut</i>	8	15
TUESDAY	4 <i>Greater Brighton Economic Board</i> 10.00am	11 SH Site Visits for Planning 2.00pm <i>Pre-application presentation</i>	18 SH	25 <b>Strategic Delivery Board 2.00pm</b>	2	9 Site Visits for Planning 2.00pm <i>Pre-application presentation</i>	16
WEDNESDAY	5	12 SH  Planning Cttee 2.00pm	19 SH	26	3	10  <b>Planning Cttee 2.00pm</b>	17
THURSDAY	6  COUNCIL 4.30pm	13 SH	20 SH	27	4  <b>Policy, Resources &amp; Growth Cttee 4.00pm</b>	11	18  <b>ANNUAL COUNCIL 4.30pm</b>
FRIDAY	7	14 BH <i>Vaisakhi</i> <i>Good Friday</i>	21 SH	28 Personnel Appeals 10am	5	12	19

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2017	MAY	MAY/JUNE	JUNE	JUNE	JUNE	JUNE	JULY
MONDAY	22 East Area Housing Panel 7.00pm	29 <b>BH</b> Personnel Appeals 10am	5 Better Brighton Board 2.00pm	12 Personnel Appeals 10am  Children, Young People & Skills Cttee 4.00pm	19 Procurement Board 2.00pm	26 <i>Eid-al-Fitr</i> Personnel Appeals 10am Corporate Parenting Board 4.00pm	3  Neighbourhoods, Communities & Equalities Cttee 4.00pm
TUESDAY	23 North Area Housing Panel 7.00pm City Management Board 9.30am	30 <b>SH</b>	6 Site Visits for Planning 2.00pm Pre-application presentation	13  Health & Wellbeing Board 4.00pm	20	27 Strategic Delivery Board 2.00pm  Environment, Transport & Sustainability Cttee 4.00pm	4 <i>LGA Conference</i>
WEDNESDAY	24 Central Area Housing Panel 2.00pm	31 <b>SH</b>	7  Planning Cttee 2.00pm	14  Housing & New Homes Cttee 4.00pm	21	28  Health Overview & Scrutiny Cttee 4.00pm	5 <i>LGA Conference</i>
THURSDAY	25 <i>East Sussex Fire Authority 10.30am</i> West Area Housing Panel 2.00pm	1 <b>SH</b>	8	15	22  Economic Development & Culture Cttee 4.00pm	29  Licensing Cttee 3.00pm	6 <i>LGA Conference</i>
FRIDAY	26	2 <b>SH</b> Personnel Appeals 10am	9	16 Personnel Appeals 10am	23	30	7

2017	JULY	JULY	JULY	JULY/AUGUST	AUGUST	AUGUST	AUGUST
MONDAY	10 <i>Orbis Public Law Joint Cttee</i> 11.30am <i>Orbis Joint Cttee</i> 2.00pm	17 <i>Personnel Appeals</i> 10am <b>Procurement Board</b> 2.00pm	24	31 <i>Personnel Appeals</i> 10am SH	7 <i>Better Brighton Board</i> 11.00am SH	14 <i>Personnel Appeals</i> 10am SH	21 SH
TUESDAY	11 Site Visits for Planning 2.00pm <i>Pre-application presentation</i>  <b>Health &amp; Wellbeing Board</b> 4.00pm	18 <i>Greater Brighton Economic Board</i> 10.00am	25 <b>Strategic Delivery Board</b> 2.00pm  <b>Audit &amp; Standards Cttee</b> 4.00pm	1 SH	8 SH	15 SH	22 SH
WEDNESDAY	12     <b>Planning Cttee</b> 2.00pm	19	26 SH	2 SH	9 SH	16 SH	23 SH
THURSDAY	13     <b>Policy, Resources &amp; Growth Cttee</b> 4.00pm	20     <b>COUNCIL</b> 4.30pm	27 SH	3 SH	10 SH	17 SH	24 SH
FRIDAY	14	21	28 SH	4 <i>Personnel Appeals</i> 10am SH	11 SH	18 SH	25 SH

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2017	AUG/SEPT	SEPTEMBER	SEPTEMBER	SEPTEMBER	SEPTEMBER	OCTOBER	OCTOBER
MONDAY	28 BH	4 East Area Housing Panel 7.00pm Personnel Appeals 10am	11 Procurement Board 2.00pm	18 <i>Lib Dem Party Conference</i> Personnel Appeals 10am  Children, Young People & Skills Cttee 4.00pm	25 <i>Labour Party Conference</i> <i>Green Party Conference</i>	2 <i>Conservative Party Conference</i> <i>Better Brighton Board 2.00pm</i>	9  Neighbourhoods, Communities & Equalities Cttee 4.00pm
TUESDAY	29 SH	5 West Area Housing Panel 2.00pm <i>City Management Board 9.30am</i>	12 Site Visits for Planning 2.00pm <i>Pre-application presentation</i>  Health & Wellbeing Board 4.00pm	19 <i>Lib Dem Party Conference</i> Strategic Delivery Board 2.00pm  Audit & Standards Cttee 4.00pm	26 <i>Labour Party Conference</i> <i>Green Party Conference</i>	3 <i>Conservative Party Conference</i>	10 Site Visits for Planning 2.00pm <i>Pre-application presentation</i>  Environment, Transport & Sustainability Cttee 4.00pm
WEDNESDAY	30 SH	6 Central Area Housing Panel 2.00pm  Health Overview & Scrutiny Cttee 4.00pm	13  Planning Cttee 2.00pm	20 <i>Rosh Hashanah</i>  Housing & New Homes Cttee 4.00pm	27 <i>Labour Party Conference</i>	4 <i>Conservative Party Conference</i>	11 <i>Shemini Atzeret / Simchat Torah</i>  Planning Cttee 2.00pm
THURSDAY	31 SH	7 <i>East Sussex Fire Authority 10.30am</i> North Area Housing Panel 7.00pm	14	21  Economic Development & Culture Cttee 4.00pm	28	5 <i>Conservative Party Conference</i>	12  Policy, Resources & Growth Cttee 4.00pm
FRIDAY	1 SH	8 Personnel Appeals 10am	15	23 Personnel Appeals 10am	29	6 Personnel Appeals 10am	13

2017	OCTOBER	OCTOBER	OCT/NOV	NOVEMBER	NOVEMBER	NOVEMBER	NOVE/DEC
MONDAY	16 SH Orbis Public Law Joint Cttee 11.30am Orbis Joint Cttee 2.00pm Personnel Appeals 10am	23 SH	30 <i>Diwali</i> East Area Housing Panel 7.00pm Personnel Appeals 10am Corporate Parenting Board 4.00pm	6 Procurement Board 2.00pm	13 Personnel Appeals 10am  Children Young People & Skills Cttee 4.00pm	20	27 Personnel Appeals 10am  Neighbourhoods, Communities & Equalities Cttee 4.00pm
TUESDAY	17 SH	24 SH <i>City Management Board 9.30am</i>	31 West Area Housing Panel 2.00pm Strategic Delivery Board 2.00pm	7 Site Visits for Planning 2.00pm <i>Pre-application presentation</i> Greater Brighton Economic Board 10.00am	14  Health & Wellbeing Board 4.00pm	21 Strategic Delivery Board 2.00pm	28  Environment, Transport & Sustainability Cttee 4.00pm
WEDNESDAY	18 SH	25 SH	1 Central Area Housing Panel 2.00pm	8  Planning Cttee 2.00pm	15  Housing & New Homes Cttee 4.00pm	22	29
THURSDAY	19 SH	26 SH North Area Housing Panel 7.00pm	2  COUNCIL 4.30pm	9	16  Economic Development & Culture Cttee 4.00pm	23  Licensing Cttee 3.00pm	30  Policy, Resources & Growth Cttee 4.00pm
FRIDAY	20 SH Personnel Appeals 10am	27 SH	3 Personnel Appeals 10am	10	17 Personnel Appeals 10am	24	1 <i>Mawlid-al-Nabi</i> Personnel Appeals 10am



2017/18	DECEMBER	DECEMBER	DECEMBER	DECEMBER	JANUARY	JANUARY	JANUARY
MONDAY	4 <i>Better Brighton Board 2.00pm</i>	11 <b>Procurement Board 2.00pm</b> <i>Personnel Appeals 10am</i>	18	25 <b>BH</b>	1 <b>BH</b>	8 <b>East Area Housing Panel 7.00pm</b> <i>Personnel Appeals 10am</i>	15  <b>Children, Young People &amp; Skills Cttee 4.00pm</b>
TUESDAY	5 <i>City Management Board 9.30am</i>	12 Site Visits for Planning 2.00pm <i>Pre-application presentation</i>	19 <b>Strategic Delivery Board 2.00pm</b>	26 <b>BH</b>	2 <b>West Area Housing Panel 2.00pm</b>	9 Site Visits for Planning 2.00pm <i>Pre-application presentation</i>  <b>Audit &amp; Standards Cttee 4.00pm</b>	16 <b>Strategic Delivery Board 2.00pm</b>
WEDNESDAY	6  <b>Health Overview &amp; Scrutiny Cttee 4.00pm</b>	13  <b>Planning Cttee 2.00pm</b>	20	27 <b>SH</b>	3 <b>Central Area Housing Panel 2.00pm</b>	10  <b>Planning Cttee 2.00pm</b>	17  <b>Housing &amp; New Homes Cttee 4.00pm</b>
THURSDAY	7 <i>East Sussex Fire Authority 10.30am</i>	14  <b>COUNCIL 4.30pm</b>	21 <b>SH</b>	28 <b>SH</b>	4 <b>North Area Housing Panel 7.00pm</b>	11  <b>Economic Development &amp; Culture Cttee 4.00pm</b>	18 <i>East Sussex Fire Authority 10.30am</i>
FRIDAY	8	15 <i>Personnel Appeals 10am</i>	22 <b>SH</b>	29 <b>SH</b>	5	12 <i>Personnel Appeals 10am</i>	19

2018	JANUARY	JAN/FEB	FEBRUARY	FEBRUARY	FEBRUARY	FEB/MARCH	MARCH
MONDAY	22 <b>Corporate Parenting Board 4.00pm</b>  <b>Neighbourhoods, Communities &amp; Equalities Cttee 4.00pm</b>	29 <b>Procurement Board 2.00pm</b>	5 <b>Personnel Appeals 10am</b>	12 <b>SH</b>	19 <b>East Area Housing Panel 7.00pm</b> <b>Personnel Appeals 10am</b>	26	5 <b>Personnel Appeals 10am</b>  <b>Children, Young People &amp; Skills Cttee 4.00pm</b>
TUESDAY	23  <b>Environment, Transport &amp; Sustainability Cttee 4.00pm</b>	30  <b>Health &amp; Wellbeing Board 4.00pm</b>	6 Site Visits for Planning 2.00pm <i>Pre-application presentation</i> <b>Greater Brighton Economic Board 10.00am</b>	13 <b>SH</b> <i>Shrove Tuesday</i>	20 <b>West Area Housing Panel 2.00pm</b> <b>Strategic Delivery Board 2.00pm</b>	27  <b>Reserve Date BUDGET COUNCIL 4.30pm</b>	6 Site Visits for Planning 2.00pm <i>Pre-application presentation</i>  <b>Health &amp; Wellbeing Board 4.00pm</b>
WEDNESDAY	24	31	7  <b>Planning Cttee 2.00pm</b>	14 <b>SH</b> <i>Ash Wednesday</i>	21 <b>Central Area Housing Panel 2.00pm</b>	28  <b>Health Overview &amp; Scrutiny Cttee 4.00pm</b>	7  <b>Planning Cttee 2.00pm</b>
THURSDAY	25  <b>Policy, Resources &amp; Growth Cttee 4.00pm</b>	1  <b>COUNCIL 4.30pm</b>	8  <b>Budget Policy, Resources &amp; Growth Cttee 4.00pm</b>	15 <b>SH</b>	22  <b>BUDGET COUNCIL 4.30pm</b>	1 <b>Purim</b> <b>North Area Housing Panel 7.00pm</b>  <b>Licensing Cttee 3.00pm</b>	8  <b>Economic Development &amp; Culture Cttee 4.00pm</b>
FRIDAY	26 <b>Personnel Appeals 10am</b>	2	9 <b>Personnel Appeals 10am</b>	16 <b>SH</b>	23	2 <b>Hola Mohalla Holi</b>	9 <b>Personnel Appeals 10am</b>

2018	MARCH	MARCH	MARCH/APRIL	APRIL	APRIL	APRIL	APRIL
MONDAY	12 Personnel Appeals 10am	19 <b>Corporate Parenting Board 4.00pm</b>  <b>Neighbourhoods, Communities &amp; Equalities Cttee 4.00pm</b>	26 <b>Procurement Board 2.00pm</b>	2 BH <i>Easter Monday</i>	9 SH	16	23
TUESDAY	13	20  <b>Environment, Transport &amp; Sustainability Cttee 4.00pm</b>	27 <b>Strategic Delivery Board 2.00pm</b>  <b>Audit &amp; Standards Cttee 4.00pm</b>	3 SH Site Visits for Planning 2.00pm <i>Pre-application presentation</i>	10 SH	17 Greater Brighton Economic Board 10.00am	24 <b>Strategic Delivery Board 2.00pm</b>
WEDNESDAY	14  <b>Housing &amp; New Homes Cttee 4.00pm</b>	21	28	4 SH  <b>Planning Cttee 2.00pm</b>	11 SH	18	25
THURSDAY	15	22	29  <b>Policy, Resources &amp; Growth Cttee 4.00pm</b>	5 SH	12	19  <b>COUNCIL 4.30pm</b>	26
FRIDAY	16 Personnel Appeals 10am	23	30 BH <i>Good Friday</i>	6 SH	13	20	27

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2018	APRIL/MAY	MAY	MAY	MAY	MAY/JUNE	JUNE	JUNE
MONDAY	30 Procurement Board 2.00pm Personnel Appeals 10am	7 BH May Day	14	21 Personnel Appeals 10am	28 BH	4	11
TUESDAY	1 Greater Brighton Economic Board 10.00am	8 Site Visits for Planning 2.00pm Pre-application presentation	15	22 Strategic Delivery Board 2.00pm	29 SH	5 Site Visits for Planning 2.00pm Pre-application presentation	12
WEDNESDAY	2	9  Planning Cttee 2.00pm	16	23	30 SH	6  Planning Cttee 2.00pm	13
THURSDAY	3  Policy, Resources & Growth Cttee 4.00pm	10	17  ANNUAL COUNCIL 4.30pm	24	31 SH	7	14
FRIDAY	4	11	18	25 Personnel Appeals 10am	1 SH	8	15

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<b>Subject:</b>	<b>Response to the Brighton and Hove Fairness Commission</b>		
<b>Date of Meeting:</b>	<b>28 November 2016, Neighbourhoods, Communities and Equalities</b> 8 December 2016, Policy Resources & Growth Committee		
<b>Report of:</b>	<b>Executive Lead Officer – Strategy, Governance and Law</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Nicky Cambridge</b>	<b>Tel:</b> 296827
	<b>Email:</b>	<b>nicky.cambridge@brighton-hove.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE****1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 This report presents the Council's response to the recommendations of the Brighton and Hove Fairness Commission.
- 1.2 It summarises the process for coordinating, responding to and managing the recommendations within the Council, as well as setting out the wider city partner responses and the arrangements for implementation and governance going forward.
- 1.3 Appendix One provides detailed responses to each recommendation and provides supporting information regarding timescales, responsibilities and budget where relevant.
- 1.4 Agreement to the establishment of a Fairness Commission was given by the Council's Policy, Resources and Growth Committee (then titled Policy and Resources) on 11 June 2015.
- 1.5 The Commission produced its final report on 27<sup>th</sup> June and made 117 recommendations which were received by the Neighbourhoods, Communities and Equalities Committee on behalf of the council on 11<sup>th</sup> July 2016.
- 1.6 At this meeting it was agreed to establish a cross party Member working group which has overseen the development and content of the council's response.
- 1.7 The Corporate Plan 2015-19 sets out our purpose, values and priorities. The principles working across the plan include our commitment to increasing equality and ensuring everyone is able to share in the city's prosperity. The Fairness Commission helps us to achieve this.

## **2. RECOMMENDATIONS:**

### Neighbourhoods, Communities & Equalities Committee

- 2.1 That the Committee welcomes and agrees the responses detailed in Appendix One to this report.
- 2.2 That the Committee agrees with the outcomes of the cross party Member working group process; including the decision to prioritise 15 recommendations as set out in Appendix Two.
- 2.3 That the Committee notes that other recommendations are being progressed, either within the council or beyond through Brighton and Hove Connected and the family of partnerships.
- 2.4 That the Committee notes that budget decisions for prioritised recommendations will be taken forward through the budget setting process.
- 2.5 That the Committee agrees to hold responsibility for delivery against the recommendations on behalf of the Council.

### Policy, Resources & Growth Committee

- 2.6 That the Committee agree 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.

## **3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 The Brighton & Hove Fairness Commission was formed by Brighton & Hove City Council in 2015 as an independent body to make recommendations about how the council and its partners should better work together to improve life for the citizens of Brighton & Hove.
- 3.2 The body was made up of 12 panel members from different professional backgrounds including housing, transport, voluntary sector and health.
- 3.3 A large scale public engagement plan was put in place to reach out to the city and hear citizen's views on making the city a fairer place to live, work and visit.
- 3.4 The Commission also heard evidence at themed meetings around older people and wellbeing, children & young people, housing and employment & skills and accepted a wealth of evidence from residents, private and public organisations and communities.
- 3.5 The Final Report was launched on 27<sup>th</sup> June 2017 and contained 117 recommendations for the council, its partners and national Government. There are two parts to the report – a 'Headlines' document and a full narrative. All reports can be found here: <https://www.brighton-hove.gov.uk/content/council-and-democracy/fairness-commission>

- 3.6 The report was received by the Council's Neighbourhoods, Communities and Equalities Committee in July 2016 and a cross party Member Working Group was established to oversee the detailed work gathering responses.

### **Brighton & Hove City Council – Response**

- 3.7 Full implementation will be a long term process with the recommendations being used to influence, level and affect change across a wide range of services and the council will ensure that the recommendations are embedded into its core business planning and performance frameworks.
- 3.8 The Fairness Commission was undertaken in a short space of time and it heard from a huge range of contributors. This meant that the final report included a significant range of recommendations at a time of reducing budgets. In broad terms the recommendations can be clustered as follows:
- Those that are being taken forward as part of planned work,
  - Those that require additional resources to implement,
  - Those that are being considered through city partnerships,
  - Those that are more relevant to central government and national policy priorities.
- 3.9 In order to manage this, the Member Working Group has sought to prioritise a 'first tranche' of recommendations which:
- Represent value for money and in particular do not involve recurring costs;
  - Do not duplicate existing work and effort;
  - Have the maximum impact on fairness and poverty;
  - Are within the council's gift to influence;
  - Were considered by the public and communities contributing to be of high importance;
  - Are achievable and realistic;
  - Bring innovation or best practice from elsewhere to the city;
  - Empirically highlight areas where improvement or further action is required.
- 3.10 A total of 15 recommendations were prioritised in this way and are set out in Appendix Two. Of these, 3 recommendations have potential budget implications.

### **Recommendation 49: [Poverty proofing the school day](#)**

- 3.11 A preliminary cost of £150k over 2 years has been identified for ensuring that all schools in the city benefit from the Children North East model. This includes an audit of each school and consultation with pupils, staff, parents and governors. The result is an action plan tailored to each individual school to address any stigmatising policies or practices such as the way free school meals are served or branded expensive uniforms with no cheaper options allowed. Training and a toolkit are also provided for staff to help embed the culture change in the long term.

### **Recommendation 50: Free school meals in school holidays**

- 3.12 Holiday hunger was a significant finding of the Commission. They heard stories of how some children went without meals when not at school receiving free lunches. Locally several schemes exist including those run by [Chomp](#); a local food poverty project and those run in partnership with the council's school meals service. Estimated cost for the Chomp service is £2.43 per meal (which includes on-costs) meaning a total cost of £1,555 per year based on 16 sessions for 40 guests. The council run service is an estimated £2.13 per meal (but this does not include on-costs).

### **Recommendation 31: Rent Deposit Guarantee Scheme**

- 3.13 Members felt that this recommendation presented a strong 'spend to save' business case. Work is therefore underway to explore whether tenants in supported accommodation could access the private sector with funding provided by Discretionary Housing Payments and/or the Credit Union with an insurance provider effectively acting as a rent guarantor. Initially this is likely to mean a small cohort of people benefitting with a view to expansion if proven successful and viable.
- 3.14 The other recommendations outside of the priorities will continue to be progressed in the ways described above but they may not be allocated additional budget.

### **City Wide Partners – Response**

- 3.15 As many of the Commission's recommendations relate to the roles and responsibilities of other partners in the city; (e.g. the Clinical Commissioning Group and The Chamber of Commerce); Brighton and Hove Connected is coordinating the wider response.
- 3.16 This has included presentations and discussions at thematic partnerships including Transport, Equality & Inclusion, the Arts Commission, City, Employment & Skills and Housing enabling detailed input from members such as the Bus Company and third sector.
- 3.17 In addition a workshop was held on 14.11.16 which sought to engage the widest range of stakeholders in contributing to the realisation of the recommendations. A short summary paper of this event will be tabled at Committee on the 28<sup>th</sup>.

### **Ensuring Good Governance and City Wide Engagement**

- 3.18 It is proposed that the Neighbourhoods, Communities and Equalities Committee retain an oversight role to ensure effective delivery of the council's response to the recommendations with Brighton & Hove Connected will perform a similar function on behalf of city partners.
- 3.19 The Fairness Commission itself will be meeting again in January and June to review progress and add support to implementation. Learning from Commissions around the country suggests that this is an important part of ensuring good governance and delivery.



#### **4 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 4.1 Consideration of alternative options to the establishment of a Fairness Commission was presented to the Policy, Resources and Growth Committee in June 2016.

#### **5 COMMUNITY ENGAGEMENT & CONSULTATION**

- 5.1 The Commission undertook extensive consultation during the course of its work, the full details of which are available as appendices to the main report. The public consultation analysis report is available on the council's website.

#### **6. CONCLUSION**

- 6.1 Members are asked to note and agree the Council's response to the Fairness Commission.
- 6.2 Members are asked to agree to the prioritisation of recommendations by the Member working group.
- 6.3 Members are asked to agree that budget decisions are included as part of normal budget setting processes.

#### **7. FINANCIAL & OTHER IMPLICATIONS:**

##### **7.1 Financial Implications:**

Financial implications in relation to Recommendations 49, 50 and 51 have been highlighted in this report. Other financial implications may emerge as the work unfolds and further options are explored. Any actions requiring significant one-off or recurrent annual funds will normally need to be considered on a case by case basis as part of the council's annual budget setting process for approval by Budget Council.

*Finance Officer Consulted: Nigel Manvell*

*Date: 16/11/16*

##### **7.2 Legal Implications:**

The proposals in the Fairness Commission's recommendations and the proposed response, in addition to supporting the Council's priorities, will help the Council in discharging its statutory duty under the Equality Act 2010. This includes the duty under section 1 of the Act regarding the need to have regard to socio-economic inequalities and to exercise its powers in a way that is designed to reduce the inequalities of outcome which result from socio-economic disadvantage.

Given the wide ranging and corporate implications of the recommendations of the Commission, it is appropriate that the final decision on the response and implementation plan is referred to the Policy Resources and Growth Committee.

*Lawyer Consulted: Abraham Ghebre-Ghiorghis*

*Date: 17 November 2016*

### 7.3 Equalities Implications:

The Fairness Commission has looked at a significant range of equality and fairness issues. Recommendations for all protected characteristic groups are included in the draft report and if accepted will have implications for the Council's work across the organisation.

### 7.4 Sustainability Implications:

A broad definition of sustainability, which takes account of the health and wellbeing of people and communities as well as the environment, is wedded through the principles and priorities of our Corporate Plan 2015-19. These are interconnected in terms of the causes and outcomes of inequality, which many of the recommendations in the Fairness Commission seek to address.

### 7.5 Any Other Significant Implications:

If accepted the Fairness Commission recommendations have considerable implications for many Council departments, services and teams. These will be embedded into Directorate and Team Plans.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Table setting out the council's response to each recommendation.
2. Recommendations prioritised by the Member Working Group.
3. Poverty Proofing the School Day in Brighton & Hove - summary report and possible options

### **Documents in Members' Rooms**

1. Hard copies of Appendices One and Two



FAIRNESS COMMISSION RECOMMENDATION	BHCC Lead Officer(s) and/or Lead Partner or Partnership	Work completed, planned or will be undertaken in response to the Commission’s recommendation. Please add timescales inc. specific dates and lead officers where appropriate.	<u>Any other supporting information.</u>  If the recommendation is unable to be progressed and/or is not possible, please explain why.  <i>Budget implications including clear ‘invest to save’ proposals.</i>
1. All partners should make a firm commitment to work in collaboration with communities in the co-design and co-production of services.	<b>Emma McDermott</b> (CETS BHCC); <b>Brighton and Hove Connected</b> (via EQuIP sub-group)	This recommendation will be fulfilled through the Development of the Collaboration Framework under EQuIP, due for completion December 2016. <b>Sam Warren, (CETS)</b>	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.
2. All partners should strengthen the investment in asset based community development to respond to the desire for self-sufficiency by residents and community groups coupled with volunteering infrastructure so that people can participate.	<b>Emma McDermott</b> (CETS BHCC); <b>Brighton and Hove Connected</b> (via Equip sub group)	This recommendation will be fulfilled through joint funding in third sector commission 2017-2020 BHCC and CCG on infrastructure, community development and engagement. Commission published 1 <sup>st</sup> September 2016. Deadline for bids 1 <sup>st</sup> November. CCG is looking at how asset based approaches can strengthen work around self-care/self-management, especially in more deprived areas of the city, and will continue to fund support for Patient Participation Groups (volunteers) through Community Development approaches. <b>Michelle Pooley (CETS) and Jane Lodge (CCG)</b>	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.
3. In assessing neighbourhood assets, all partners should	<b>Emma McDermott</b> (CETS BHCC);	This recommendation has been used to drive and inform the ongoing work around the City Neighbourhood Programme and the Neighbourhood hubs work strand is looking at the assets in	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.

<b>FAIRNESS COMMISSION RECOMMENDATION</b>	<b>BHCC Lead Officer(s) and/or Lead Partner or Partnership</b>	<b>Work completed, planned or will be undertaken in response to the Commission’s recommendation. Please add timescales inc. specific dates and lead officers where appropriate.</b>	<b><u>Any other supporting information.</u></b>  <b>If the recommendation is unable to be progressed and/or is not possible, please explain why.</b>  <b><i>Budget implications including clear ‘invest to save’ proposals.</i></b>
identify, with residents, each neighbourhood for adequacy of community spaces against a ‘minimum spec’ that includes an accessible meeting space, open to all, and free access to wireless internet and invest in them so that they meet the requirements.	<b>Brighton and Hove Connected</b>	the neighbourhoods to ensure their best use and that they support the proposed service redesign and neighbourhood service model. <b>Ben Miles; Sam Warren; Annie Sparks</b>	Notes to be tabled at NCE Committee.
4. The council should develop an asset transfer policy by April 2017 and be proactive in implementing it.	<b>Emma McDermott</b> (CETS BHCC); <b>Angela Dymott</b> (Property and Design BHCC)	An updated and Asset Transfer Policy is currently being scoped using best practice from other local authorities. (2017)	<b>MWG PRIORITY (Linked with 5/9)</b>
5. All public sector procurement processes should give greater weight to social value and be explicit in how this influences decisions.	<b>Emma McDermott,</b> (CETS BHCC); <b>Cliff Youngman,</b> (Procurement BHCC); <b>Brighton and</b>	This recommendation has been fulfilled through the Social Value Framework and Guide approved at NCE committee and PR&G committee, July 2016. Training opportunities to be developed for commissioners, procurement and suppliers Autumn 2016. <b>Andrew Witham and Michelle Pooley</b>	<b>MWG PRIORITY (Linked with 4/9)</b>

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	<b>Hove Connected</b>		
6. The council’s small grants fund should be ring-fenced and invested in Sussex Community Foundation, or a similar external grant giving body, to achieve greater value for money for Brighton & Hove’s small community groups.	<b>Emma McDermott, (CETS BHCC)</b>	A small grants fund was approved as part of the new Third Sector Investment Programme at NCE committee July 2016 and has been factored into the three budget plan for the Council’s Third Sector Investment Programme 2017 -2020. In addition, the feasibility and benefit of transferring the small grants programme to an external provider was explored and discussed at Members Advisory Group (MAG) meetings in September and October 2016. MAG’s recommendations is that in light of the significant service redesign of the council’s approach to investing in the community and voluntary sector (as approved by NCE committee in July) transferring council funded grants programme to an external provided did not offer sufficient benefits and value for money at this time. However, following discussion about the opportunities offered by an organisation like Sussex Community Foundation MAG has recommended that officer’s progress the transfer of some dormant and relatively inactive endowment funds held by the council to Sussex Community Foundation to establish a Brighton and Hove Community Fund. A report will be presented to NCE committee in Spring 2017 to approve this development.	
7. Brighton & Hove Connected should publish an annual	<b>Brighton &amp; Hove Connected</b>	To fulfil this recommendation an implementation group of city partners has been established which will report to the City Management Board six monthly initially and then annually.	

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<b>FAIRNESS COMMISSION RECOMMENDATION</b>	<b>BHCC Lead Officer(s) and/or Lead Partner or Partnership</b>	<b>Work completed, planned or will be undertaken in response to the Commission’s recommendation. Please add timescales inc. specific dates and lead officers where appropriate.</b>	<b><u>Any other supporting information.</u></b>  If the recommendation is unable to be progressed and/or is not possible, please explain why.  <i>Budget implications including clear ‘invest to save’ proposals.</i>
statement on actions taken by partners to deliver the Power of Volunteering.		<b>Simon Newell</b>	
8. Brighton & Hove Connected should work with Sussex Community Foundation to establish a city endowment fund to support projects that help alleviate poverty in the city.	<b>Brighton &amp; Hove Connected</b>	This was linked to feasibility report for recommendation 6, which includes consideration of the current endowment trusts held by the city council. <b>Simon Newell</b>	
9. The Neighbourhoods, Communities and Equality Committee should take responsibility for proactive delivery on the rights enshrined in legislation including the Localism Act 2011, the Equalities Act 2010, the Care Act 2014 and Human Rights.	<b>Emma McDermott</b> (CETS BHCC), <b>Abraham Ghebre-Ghiorghis</b> , (Strategy, Governance and Law BHCC)	A number of actions will be taken in response to this recommendation: The terms of reference for the NCE Committee include responsibility for delivery on these areas. A number of actions will be taken in response to this recommendation: The Equalities and Inclusion Policy will be taken for approval to the NCE Committee in November 2016 with proposals for updating the Committee. As part of developing the Committee’s work programme for 2017/18 these areas will be considered by the Lead Member and Executive Director NCH. All decision making committees in the council take into account relevant legislative provisions and legal implications are provided	<b>MWG PRIORITY (Linked with 4/5)</b>  The implications of the Care Act 2014 have been comprehensively reported to the Health and Wellbeing Board and action implemented.



FAIRNESS COMMISSION RECOMMENDATION	BHCC Lead Officer(s) and/or Lead Partner or Partnership	Work completed, planned or will be undertaken in response to the Commission’s recommendation. Please add timescales inc. specific dates and lead officers where appropriate.	<u>Any other supporting information.</u>  If the recommendation is unable to be progressed and/or is not possible, please explain why.  <i>Budget implications including clear ‘invest to save’ proposals.</i>
		with every report to ensure this takes place. Pages on website with regard to Assets of Community Value (Localism Act 2011) to be made more user friendly and accessible.	
10. Small community groups and social enterprises have the right to enter the market place and help find solutions. The council should seek to ensure it removes any barriers to preventing smaller organisations from bidding for contracts and that it commissions support for the community and voluntary sector.	<b>Emma McDermott</b> (CETS BHCC); <b>Cliff Youngman,</b> (Procurement BHCC)	A number of actions will be taken in response to this recommendation: Commissioning support for the CVS is in the upcoming third sector commission 2017-2020. Included in the Social Value Guide for commissioners and suppliers is reference to the use of a % of local small and medium sized business, social enterprise and CVS organisations. <b>Michelle Pooley and Andy Witham.</b> The current Procurement Strategy aims to reduce barriers to community groups and social enterprises. Increased level of communication / consultation with these groups will help highlight opportunities. Current relationships with the Chamber of Commerce and Federation of Small Businesses along with delivery of presentations has made progress to this recommendation. Ongoing interventions will continue within procurement 5 year future plan and beyond – <b>Cliff Youngman</b>	This is often dependent on individual clients. One way to overcome barriers is to break contracts into lots. However, service areas commonly cite insufficient resources to manage multiple contracts.
11. The council, the Brighton & Hove Bus Company and other	<b>Mark Prior,</b> (Transport BHCC);	Under the existing regulatory framework bus operators are responsible for setting fares on a commercial basis. The Quality Bus Partnership has discussed and will continue to work on	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.

<b>FAIRNESS COMMISSION RECOMMENDATION</b>	<b>BHCC Lead Officer(s) and/or Lead Partner or Partnership</b>	<b>Work completed, planned or will be undertaken in response to the Commission’s recommendation. Please add timescales inc. specific dates and lead officers where appropriate.</b>	<u><b>Any other supporting information.</b></u>  <b>If the recommendation is unable to be progressed and/or is not possible, please explain why.</b>  <b><i>Budget implications including clear ‘invest to save’ proposals.</i></b>
bus operators in the city, should work through the city's Quality Bus Partnership to ensure that there is transparency and awareness of existing discount arrangements among the public and all partner organisations, and where need is identified, to extend arrangements to reflect specific needs.	<b>Brighton &amp; Hove Connected</b> (via Transport Partnership)	awareness-raising re best value and discounted tickets and associated initiatives (such as loans from East Sussex Credit Union for purchase of best value tickets).	Notes to be tabled at NCE Committee.
12. The council and The Transport Partnership should invite proposals from suitable social enterprises or appropriate organisations that can expand and deliver an improved community transport offer in the city, that better utilises the existing fleets, vehicles and volunteer drivers available.	<b>Mark Prior,</b> (Transport BHCC) <b>Brighton &amp; Hove Connected;</b> <b>Judith Cooper</b> (ASC BHCC)		Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.  <b>ASC</b> and the <b>CCG</b> currently contract with Community Transport to provide door-to-door shopping trips and group hire of minibuses for local groups. The existing contract is under review and is due for Procurement in 2017 with a focus on targeting the limited resources to support vulnerable people who are socially isolated or unable to access activities and services in the community. This Recommendation will be considered as part of the Procurement and the Transport

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FAIRNESS COMMISSION RECOMMENDATION	BHCC Lead Officer(s) and/or Lead Partner or Partnership	Work completed, planned or will be undertaken in response to the Commission’s recommendation. Please add timescales inc. specific dates and lead officers where appropriate.	<u>Any other supporting information.</u>  If the recommendation is unable to be progressed and/or is not possible, please explain why.  <i>Budget implications including clear ‘invest to save’ proposals.</i>
			Partnership will be invited to engage with the process.
13. The council should facilitate partnership working between transport providers and developers to expand the potential locations for accessible development across the city that would address both transport and housing issues.	<b>Mark Prior,</b> (Transport BHCC); <b>Brighton &amp; Hove Connected</b>	The council’s approved City Plan Part 1 includes policies to deliver accessible and sustainable development which are based on directing new development to areas of the city with good sustainable transport links, and to those areas in need of regeneration and renewal. City Plan Part 2 will seek to further explore and identify similar policies that secure similar opportunities.	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.
14. The council should work with City in Bloom, Community Works and the Trust for Developing Communities to support Friends of Parks groups in the city and help them to come together in a city-wide network to strengthen collaboration across groups and with the council around the future of the city’s parks.	<b>Richard Bradley</b> (CityClean BHCC)	We acknowledge the valued contribution of a city-wide network of Friends Groups and other volunteers that has been created Community Works.  City Parks works proactively with a wide range of community and voluntary organisations across the City. The Council has also recently launched its “big conversation” with regard the future management and maintenance of the parks and open spaces in the City and we would encourage all interested groups to participate in this consultation.	<b>MWG – PRIORITY</b>  This recommendation will be considered along with the outcome of ‘The Big Conversation’ parks consultation currently in progress.
15.	<b>Mark Prior</b>	The Highway Enforcement team licence and enforce regulations	<b>MWG PRIORITY (Linked to 61)</b>

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<b>FAIRNESS COMMISSION RECOMMENDATION</b>	<b>BHCC Lead Officer(s) and/or Lead Partner or Partnership</b>	<b>Work completed, planned or will be undertaken in response to the Commission’s recommendation. Please add timescales inc. specific dates and lead officers where appropriate.</b>	<u><b>Any other supporting information.</b></u>  <b>If the recommendation is unable to be progressed and/or is not possible, please explain why.</b>  <b><i>Budget implications including clear ‘invest to save’ proposals.</i></b>
<p>The council should work with businesses and the Transport Partnership to raise awareness of the impact of street clutter on disabled people, older people and mothers with young children and ensure regulations are enforced.</p>	<p>(Transport BHCC); <b>Brighton and Hove Connected</b></p>	<p>on A-boards, tables &amp; chairs, skips, scaffolds, builders’ materials, overgrown hedges and hoardings. The policy for such placements was reviewed by Members in 2016, and was originally informed by the Street Access Scrutiny of 2010. A new IT system is being commissioned which will enable more efficient licensing and enforcement of skips, scaffolds and builders’ materials. The team works with businesses and other council sections to educate, inform and enforce. We undertake to review our current policies and practices, monitor impact of street clutter and use appropriate enforcement action, raise awareness with businesses.</p>	<p>Discussed response &amp; implementation at Brighton &amp; Hove Connected Workshop 14 November 2016.</p> <p>Notes to be tabled at NCE Committee.</p>
<p>16. Develop and publish an action plan to ensure full implementation of the new housing strategy and report back regularly on progress</p>	<p><b>Martin Reid</b> (Housing BHCC)</p>	<p>Actions from the Housing Strategy are regularly monitored at HLT and through corporate monitoring up to and including ELT. We also monitor partnership priorities through Strategic Housing Partnership and Affordable Housing Delivery Partnership, RPs, HCA &amp; BHCC (Housing &amp; Planning) - the latter focusing on housing supply. On Housing Quality we work closely in partnership with Public Health and other partners on Affordable Warmth &amp; Fuel Poverty which has been reported to BHCC Cttes and SHP / B&amp;H Connected. In addition, we are currently developing an action plan aligned to our new (HRA) Asset Management Strategy recently agreed by Committees. Similarly on Housing Support we have focused on Rough Sleepers Strategy with same reporting lines.</p>	

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		<p>We communicate progress through monitoring of KPIs and via reports to Ctte and SHP / B&amp;H connected.</p> <p>We have produced annual progress reports and are reviewing options for our first since the adoption of the new Housing Strategy in 2015, albeit we have also been focused on Rough Sleeper Strategy, evidence gathering for any further discretionary PRS licensing and Student Housing Study as key Housing Strategy actions during the last quarter.</p>	
<p>17. The council should strengthen and expand its council housing building and estate regeneration programme.</p>	<p><b>Martin Reid &amp; Sam Smith</b> (New Homes Team BHCC)</p>	<p>The response to this recommendation is in progress through New Homes for Neighbourhoods programme: <a href="http://www.brighton-hove.gov.uk/content/housing/council-housing/new-homes-neighbourhoods">http://www.brighton-hove.gov.uk/content/housing/council-housing/new-homes-neighbourhoods</a> and <a href="http://present.brighton-hove.gov.uk/mgconvert2pdf.aspx?id=92816">http://present.brighton-hove.gov.uk/mgconvert2pdf.aspx?id=92816</a></p> <p>There are currently 251 new affordable homes projected to be delivered through Brighton &amp; Hove City Council Estate Regeneration (New Homes for Neighbourhoods) as part of the overall Affordable Housing Development Programme. The team are currently looking at a wide range of ways to increase and continue the programme in order to deliver many more homes including establishing a housing company and a potential Joint Venture. The team have worked closely with residents to</p>	<p>Under the New Homes for Neighbourhoods Programme [as at October 2016] 24 new council homes have been completed since 2015, 112 more are under construction, 41 have planning consent [and are preparing to go on site, and another 10 sites are in the pipeline.</p> <p>We are reporting to our early autumn Committees on options which are likely to be available in funding and structuring a new Council and / or joint venture vehicle to support delivery of additional housing supply.</p>

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<p>572</p>		<p>establish a successful programme that is making best use of the council’s land and assets including infill sites in existing estates that currently attract anti-social behaviour.</p> <p>We are currently exploring detailed options to enable the Council to intervene in the housing market to deliver new homes to meet our identified needs. In addition Greater Brighton Housing and Growth Working Group are seeking to overcoming barriers to delivering existing housing targets, accelerating delivery of additional housing numbers as well as making best use of available land / identification of new sites. Devolution Deal ‘asks’ include raising the HRA borrowing cap, flexibility in the use of Right to Buy Receipts, better access to surplus sites from national public bodies and certainty over HCA funding.</p> <p>Housing Strategy 2015 actions:</p> <ul style="list-style-type: none"> <li>• Directly provide more council housing, such as by developing ourselves through our New Homes for Neighbourhoods programme, buying new homes off-plan or by supporting others to build and manage on our behalf.</li> <li>• Maximise housing provided from best use of the Council’s Housing Revenue Account (HRA) investment, land and buildings.</li> </ul>	

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<p>18. The council should use a supportive approach to identifying modern construction methods to reduce building costs and make rents more affordable.</p>	<p><b>Martin Reid &amp; Sam Smith,</b> (New Homes Team BHCC)</p>	<p>The response to this recommendation is in progress through New Homes for Neighbourhoods programme: <a href="http://www.brighton-hove.gov.uk/content/housing/council-housing/new-homes-neighbourhoods">http://www.brighton-hove.gov.uk/content/housing/council-housing/new-homes-neighbourhoods</a> and <a href="http://present.brighton-hove.gov.uk/mgconvert2pdf.aspx?id=92816">http://present.brighton-hove.gov.uk/mgconvert2pdf.aspx?id=92816</a></p> <p>There are currently 251 new affordable homes projected to be delivered through Brighton &amp; Hove City Council Estate Regeneration as part of the overall Affordable Housing Development Programme.</p> <p>Our HRA financial forecast is clear that the HRA debt cap and reduction in rental income of 1% per annum over the next four years will restrict resources available for new build and regeneration so alternative options and delivery mechanisms for funding outside the HRA will be required. We also await the impact of Housing &amp; Planning Act regulations on the HRA Business Plan. We are currently exploring detailed options to enable the Council to intervene in the housing market to deliver new homes to meet our identified needs. In addition Greater Brighton Housing and Growth Working Group are seeking to overcoming barriers to delivering existing housing targets, accelerating delivery of additional housing numbers as well as making best use of available land / identification of new</p>	<p>The council has four projects testing innovative construction methods that are currently underway including two sites that have been marketed for modular or system built affordable housing developments, a Y:Cube modular system project and a self-build development with a local housing co-op.</p> <p>The council has a further four new build projects that have been part of a design competition that generated innovative solutions for hard to develop infill sites.</p>

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		sites. Devolution Deal ‘asks’ include raising the HRA borrowing cap, flexibility in the use of Right to Buy Receipts, better access to surplus sites from national public bodies and certainty over HCA funding.	
19. The council should consistently identify total housing costs, including energy efficiency, in planning new homes to reduce energy bills and contribute to greater affordability and the health and wellbeing of tenants.	<b>Martin Reid &amp; Sam Smith</b> (New Homes Team BHCC)	Planning requirement for high level of energy efficiency City Plan SA6 Sustainable Buildings.  Previous reports to Housing & New Homes Committee have considered benefits of home energy efficiency measures provided in new homes to the lifetime costs of tenancies.  In response to this recommendation the council’s New Homes for Neighbourhoods new build programme is developing homes to high sustainability standards including excellent energy efficiency, solar PV and communal boilers. All homes are being built to Life Time Homes Standards and at least 10% are wheelchair accessible.	Communal boilers are being provided in larger new council housing schemes to address fuel poverty as well as supporting sustainability objectives.  We will review further application of consideration of lifetime costs of homes where this is within the council’s control.
20. The council should pursue a planning policy of mixed development to ensure that all new developments, including office and commercial schemes,	<b>Liz Hobden,</b> (Planning BHCC)	This recommendation fits with City Plan, which also supports the use of mixed use developments. Plus CP20 Affordable Housing.  Our Affordable Housing Brief and Housing enabling work with Planning and developers in the City seeks to maximise the delivery of new affordable homes through planning gain.	Housing continues to work closely with Planning to maximise the amount of affordable homes delivered on new developments.

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include an affordable housing element.		However, need to follow government Planning Policy guidance so can only insist on affordable housing on schemes that include housing above a certain number of units. This is also subject to scheme viability considerations. We await Housing & Planning Act regulations and impact of Government investment and legislative approach in favour of low cost home ownership including through Starter Homes.	
21. The council should work with public bodies in the city to identify publicly owned land that can be used for housing, and accelerate its progress into available land. Produce a report detailing available land and a timetable for access.	<b>Martin Reid;</b> (Housing BHCC); <b>Brighton &amp; Hove Connected</b>	The council are responding to this recommendation in line with the Strategic Housing Land Availability Assessment.  Greater Brighton Housing and Growth Working Group are seeking to overcoming barriers to delivering existing housing targets, accelerating delivery of additional housing numbers as well as making best use of available land / identification of new sites. Devolution Deal ‘asks’ include raising the HRA borrowing cap, flexibility in the use of Right to Buy Receipts, better access to surplus sites from national public bodies and certainty over HCA funding.	
22. The council should offer council-owned and other publicly owned land, including sites on	<b>Martin Reid,</b> (Housing BHCC); <b>Brighton and</b>	Most sites prioritised for standard housing however in responding to this recommendation, the Housing Strategy 2015 and City Plan identify urban fringe as possibly being appropriate: SA4 – Urban Fringe. <i>“As part of this process, the City Council will</i>	This aligns to existing Housing Strategy and City Plan but would be subject to usual considerations around best consideration and consent.

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<p>576 the city fringes, brown field sites, to housing co-operatives, self-build groups and community land trusts to develop affordable social housing with the guarantee it will go to local people. Set up a revolving fund by 2018 and an advice hub to support the work of housing co-operatives, self-build groups, community land trusts and energy co-ops.</p>	<p><b>Hove Connected</b></p>	<p><i>consider how best to ensure that opportunities for community land trusts, community-led development, right to build, and housing co-operatives are brought forward/ safeguarded in order to maximise housing opportunities that meet local housing needs. This will be taken forward through the City Plan Part 2.”</i></p> <p>Links to Housing Strategy 2015:</p> <ul style="list-style-type: none"> <li>• 18. Promote the concept of Community Housing.</li> <li>• 19. Explore the viability of Community Land Trust and wider community housing development options when land is available with a focus on maximising the social value of new developments where appropriate.</li> <li>• 20. Explore the use of commercial properties for co-operatives where compatible with City Plan policies.</li> <li>• 21. Share information on development opportunities with the Community Housing Network.</li> </ul> <p>Also in response to this recommendation through the New Homes for Neighbourhoods programme, the council is working with Community Housing Network and local co-operative organisations to deliver affordable rented new homes on challenging small former or underused council housing garage sites, through modular and system build and self build, co-operative pilots (see <a href="#">Small site strategy</a>). These new homes will</p>	<p><b><i>We have no resources currently identified in support of an advice hub or revolving loan fund.</i></b></p>

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		<p>be let to local people, either at the end of the homelessness pathway, self builders on the joint housing register or council nominees.</p> <p>Co-operative Housing In Brighton &amp; Hove (CHIBAH) was invited to nominate a co-op for development of an HRA site through a co-operative pilot under the New Homes for Neighbourhoods small site strategy. Community Housing Network members were invited to submit expressions of interest to develop three HRA sites through the modular and system build pilot</p> <p>The council is working closely with a self build co-op supported by Co-operative Housing In Brighton &amp; Hove (CHIBAH) and others to achieve new development on a council housing former garage site. Learning from this co-operative pilot under the New Homes for Neighbourhoods programme is being shared amongst local community / co-operative housing groups.</p>	
<p>23. The council should strengthen its nationally recognised approach to bringing empty homes and properties back into use.</p>	<p><b>Martin Reid</b> (Housing BHCC)</p>	<p>A welcome endorsement and this well-established and systematic approach has lead to sustained year on year good performance. In 2015/16, 158 empty homes were brought back into use with the support of the council. A further 40 empty homes were brought back into use in Quarter 1 of 2016/17. The empty property team is also in constructive dialogue with the owners of a further 257 properties.</p>	<p>Lack of funding to provide incentive offers to owners is an ongoing challenge, however, a refreshed enforcement protocol is in development which will a disincentive for owners to leave properties empty that will assist in increasing performance.</p>

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<p>24. Housing associations and private housing developers should work in partnership with housing associations and other organisations to expand the development of affordable housing for rent, shared ownership and sale in mixed tenure schemes.</p>	<p><b>Martin Reid</b> (Housing BHCC); <b>Brighton &amp; Hove Connected</b></p>	<p>This recommendation aligns with the Housing Strategy 2015:</p> <ul style="list-style-type: none"> <li>• 2. Continue work with a range of partners including Homes &amp; Communities Agency, housing associations and the community housing sector to develop more affordable housing.</li> </ul> <p>Expansion constrained by capacity of city to deliver new homes (13,200 over City Plan period) and availability of finances.</p> <p>We await Housing &amp; Planning Act regulations and impact upon delivery of new affordable homes, in particular in relation to the Government focus on supporting low cost home ownership through alignment of funding and planning policy toward delivery of Starter Homes</p>	<p>Affordable Housing Brief to be updated in line with adopted City Plan Part 1 and any relevant legislation agreed through Housing &amp; Planning Act, and then published on the council’s website.</p> <p>In order to further increase the supply of new affordable homes additional funding options are being actively investigated including buying new homes off plan and other Special Purpose Vehicle / Joint Venture options.</p>
<p>25. Housing associations and private housing developers should offer development expertise to housing co-operatives, community land trusts and self-build groups.</p>	<p><b>Martin Reid</b> (Housing BHCC); <b>Brighton &amp; Hove Connected</b></p>	<p>We understand that community / co-operative housing providers have benefited from support from RPs on business and development planning via informal arrangements such as via Accord Housing on Co-operative housing development on larger sites and the work of CHISEL with Dryad on Golf Drive. The BHCC Estate Regeneration Team have also supported a co-op pilot at Plumpton Road.</p>	<p>We could potentially explore capacity via the existing Affordable Housing Partnership or specialist RPs who work with Housing Co-ops such as CHISEL (currently working with Dryad) however this would have cost and capacity implications for major RP providers.</p> <p><b><i>If requested by members this recommendation will need to be scoped, costed and resources identified given we are not aware of any formal arrangements</i></b></p>

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26. Housing associations and private housing developers should contribute to increasing affordability in the city by embracing modern methods of construction to bring down building costs and make home-ownership more affordable to those on modest incomes.	<b>Martin Reid</b> (Housing BHCC); <b>Brighton &amp; Hove Connected</b>	In response to this recommendation opportunities are being explored on a site by site basis subject to viability, proposed usage, planning policy etc.  This recommendations helps drive the council’s plans for a Joint Venture Company or companies for the delivery of new homes. The opportunities considered include delivery new homes on an affordable rent and ownership basis.	We are reporting to our early autumn Committees on options which are likely to be available in funding and structuring a new Council and / or joint venture vehicle to support delivery of additional housing supply.
27. Housing associations and private housing developers should look at total housing costs, including energy efficiency, in planning new homes to reduce energy bills and contribute to greater affordability and the health and wellbeing of residents.	<b>Martin Reid &amp; Sam Smith</b> (New Homes BHCC); <b>Brighton &amp; Hove Connected</b>	Planning requirement for high level of energy efficiency City Plan SA6 Sustainable Buildings.  In response to this recommendation: BHCC is working in partnership with Southern Water on a project to support local residents to reduce their water use and water bills. The project will be running from 2016-20 and aims to work with 5,700 high water use households and 1,000 households who are struggling to pay their water bills across the city. The project includes home visits to offer advice and installation of small measures to increase water efficiency in the home. Southern water will also be offering advice to households struggling to pay their bills including debt advice and about different tariff options	<b>MWG PRIORITY</b>  In response to this recommendation we will review further application of consideration of lifetime costs of tenancies where this is within the Council’s control.

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<p>580</p>		<p>and other financial assistance schemes.</p> <p>BHCC is working with the Your Energy Sussex partnership to procure an energy supply partner to offer a competitive tariff and high quality service to residents and businesses across Sussex. Over 70% of domestic customers who have never or rarely switched supplier could save up to £300 per year by switching onto a more competitive deal.</p> <p>The Sussex Tariff aims to offer Sussex householders and businesses the opportunity to purchase their energy from a trusted source that will:</p> <ul style="list-style-type: none"> <li>• Offer residents and businesses access to lower cost energy</li> <li>• Provide excellent customer service</li> <li>• Ensure customers have easy to understand, more transparent energy bills</li> <li>• Develop Smarter metering and billing technology</li> <li>• Stimulate and support local energy generation</li> </ul> <p>BHCC and the wider YES partnership can expect the tariff scheme to:</p> <ul style="list-style-type: none"> <li>• Reduce the number of householders in or at risk of fuel poverty</li> <li>• Support the local economy</li> </ul>	

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581		<ul style="list-style-type: none"> <li>• Meet local carbon reduction and renewable energy targets</li> <li>• Increase investment in local generation</li> <li>• Influence the types of tariffs on offer to maximise the benefit for residents in the city</li> </ul> <p>The council’s New Homes for Neighbourhoods new build programme is building homes that are efficient to heat and run due to high sustainability standards, meet Lifetime Homes Standards and include wheelchair accessible units.</p>	
28. As part of a wider drive to tackle homelessness in the city, all partners should create low-cost and “meanwhile” housing swiftly for homeless people on dormant development sites, like Preston Barracks, using converted sea containers that can be moved to other sites when development starts.	<b>Martin Reid</b> (Housing BHCC); <b>Brighton &amp; Hove Connected</b>	This recommendation supports the review of affordable housing delivery (joint venture) in progress, looking at range of temporary and permanent housing solutions. <a href="#">HERE</a> .  Estate Regeneration Board and Housing & new Homes Committee have also considered options for delivery of homes utilising modern method of construction with pilot schemes in progress / under review.	<b>MWG PRIORITY</b>  Aligned to existing Housing Strategy priorities.  The council will achieve learning and experience from the New Homes for Neighbourhoods modular and system build pilot seeking delivery of permanent affordable housing.  Update on progress - April 2017 ( <b>Tracy John</b> )
29. All partners should support training, skills and education	<b>Brighton &amp; Hove Connected;</b>	Work and learning service review in progress for those in hostels to meet reduced budgets. Action in Rough Sleeping Strategy 2016.	ASC fund services for homeless people in supported accommodation. These are life skills, working with people 1:1 and in small groups to develop skills in

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programmes for homeless people.	<b>Sylvia Peckham</b> (Housing BHCC); <b>Brian Doughty</b> (Adult Social Care BHCC)		areas such as budgeting, computer skills, cooking. We fund an access to work project to support people with work and voluntary work placements and accessing the job market. We also fund a literacy and numeracy project for living people in hostels.  <b><i>No resources for those in general needs temporary accommodation beyond those provided by adult education establishments.</i></b>
30. All partners should protect investment in supporting people with mental health issues, drug and alcohol problems and dual diagnosis to live independently within their own homes.	Peter Wilkinson (Public Health BHCC); <b>Brighton and Hove Connected</b>	<b>Substance Misuse</b> Substance Misuse Services focus on supporting an individual with a substance issue to fully ‘recover’. This would include overcoming their addiction, but would also include working with the person to ensure that other aspects of their life are improved upon as well. <b>Lead – Kathy Caley, Commissioner for Substance Misuse Service. Work is ongoing across year 2 of the contract.</b>  <b>Mental Health</b> . A range of community mental health services are commissioned from statutory and 3 <sup>rd</sup> sector partners to increase wellbeing, build resilience, support people in their recovery journey, and to increase opportunities for independent living. Significant investment has been made in community services to	<b><i>Substance Misuse</i></b> <b><i>Given the required financial savings the Public Health team is required to make, significant savings are being passed on to the providers of substance misuse services. Commissioners and providers are working together to prioritise key areas for delivery. However, given the scale of the cuts being made, it is inevitable that there will be some reduction in overall service delivery capacity.</i></b>  <b><i>Dual Diagnosis</i></b> <b><i>The continued funding of the Dual Diagnosis nurses has been prioritised by commissioners and providers.</i></b>



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583		<p>improve access to treatment, and support at a local community level . This will be further strengthened as proactive and integrated care models develop.</p> <p><b>Dual Diagnosis</b> There has been joint work between Substance Misuse and Mental Health commissioners and providers for a number of years on improving the support available to people with a ‘dual diagnosis’. This has included the development of a Dual Diagnosis Screening Tool, and joint working between services, to reduce duplication and the passing of clients from one service to the other. It is anticipated that the support given by services for the identified substance and/or mental health issue would help enable the individual to live independently in which ever form of accommodation they live in.</p> <p><b>Leads – Kathy Caley, Commissioner for Substance Misuse and Linda Harrington, Commissioner for Mental Health Services. Work is ongoing.</b></p>	
<p>31. All partners should strengthen work on rent deposit guarantee schemes that help people on lower incomes into private rented accommodation.</p>	<p><b>Martin Reid &amp; Sylvia Peckham</b> (Housing BHCC); <b>Brighton &amp;</b></p>	<p>Current scheme focussed on those most likely to be statutory homeless.</p> <p>The council is currently exploring an option for a pilot scheme whereby tenants in supported accommodation could access the private sector with funding provided by Discretionary Housing</p>	<p><b>MWG PRIORITY</b></p> <p>The Rent Smart partnership will be launched November 2016. It is a citywide partnership of organisations committed to supporting tenants in the private rented sector.</p>

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	<b>Hove Connected</b>	Payments and/or Credit Union funding with an insurance provider effectively acting as a rent guarantor. This work is in development with a view to an initial trial to test whether an extended scheme would be sustainable.	
32. The council should extend the successful licensing of smaller HMOs to the remaining wards in the city.	<b>Martin Reid</b> (Housing BHCC)	Research on viability of extending licensing is in progress and will be driven by this recommendation.  Due to report to HNHC in November 2016  Linked to PRS Scrutiny Recommendation 5  This recommendation is supported in the Housing Strategy 2015 through the following strategic actions: <ul style="list-style-type: none"> <li>• 46. Promote the HMO licensing scheme so that we can ensure that unlicensed HMO’s are reported and licensed properties are of standard.</li> <li>• 47. Consult on extending HMO licensing to other areas where there is an identified need.</li> <li>• 48. Respond to issues where legal standards are not being met.</li> </ul>	
33. The council should establish a self-funding kite-mark scheme for landlords and letting agents.	<b>Martin Reid</b> (Housing BHCC)	This closely aligns to PRS Scrutiny recommendation 16 ‘To consider the development, and promote the uptake and benefits to landlords of registration to PRS accreditation schemes’.	Housing & New Homes Committee considered a detailed response to PRS Scrutiny recommendations on 11 November 2015 with a follow up Housing & New Homes Committee paper on progress against

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585		<p>This recommendation is supported in the Housing Strategy 2015 through the following strategic actions:</p> <ul style="list-style-type: none"> <li>• Support for landlords to better manage properties.</li> <li>• Up skill small and accidental landlords to improve tenancy management.</li> </ul> <p>Accreditation run via existing landlord associations already exists. For example, National Landlords Association Accreditation is based on Landlord Development and good management practice. It is a national scheme which offers greater consistency for all landlords, tenants and councils to recognise.</p> <p>Additional work is being carried out by community groups and other partners to look at how these options could be taken forward such as Rent Smart which will be fed into future policy considerations.</p>	<p>recommendations expected Sept 2016.</p> <p><b>PRS Scrutiny One Year On (21-09-16) - Trading Standards:</b> Brighton and Hove Trading Standards have been working closely with Home Sweet Home campaign group to make sure that lettings agencies display their fees in accordance with the Consumer Rights Act 2015. When the project began in August 2015 of the 116 agents identified, fewer than 10% were displaying their fees and several were not members of an approved redress scheme. Now at least 99% are compliant.</p>
<p>34. The council should establish a private sector forum for landlords, letting agents, tenants and the city’s housing services.</p>	<p><b>Martin Reid</b> (Housing BHCC)</p>	<p>Landlords and Agents are represented on our Strategic Housing Partnership and involved in task and finish work related to response to PRS scrutiny which aligns with this recommendation and which will assist to drive this work.</p>	
<p>35.</p>	<p><b>Martin Reid &amp;</b></p>	<p>This is aligned to PRS Scrutiny Recommendation 15.</p>	<p>This recommendation is supported in the Housing</p>

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The council should establish an ethical lettings agency for private rented housing similar to Let to Birmingham which offers “a range of services for landlords including Let Only or Full Property Management, and matching with suitable tenants.”	<b>Sylvia Peckham</b> (Housing BHCC)	<p>In the response to PRS Scrutiny paper H&amp;NH Committee members were advised that we proposed to support exploration of options such as University of Sussex Student Union ‘Sussex Student Lettings’ as to whether the scope of this model can be widened to expand beyond student housing and encompass a greater range of private rented housing.</p> <p>A follow up Housing &amp; New Homes Committee paper on progress against recommendations expected Sept / November 2016.</p>	Strategy 2015 through the following strategic actions: <ul style="list-style-type: none"> <li>42. Develop an ethical standard for letting agents including a commitment to equalities and diversity, a ‘living rent’ scheme where rents are linked to wage inflation, and longer tenancies to support family stability.</li> </ul>
36. The council should work with housing associations, City College and others to develop training and skills programmes and apprenticeships in housing and renewable energy programmes.	<b>Sam Smith</b> (Estate Regeneration Team BHCC); <b>Linda Shaw</b> (Economic Development BHCC)	We are able to use existing partnerships including City Employment & Skills Partnership and Council’s Housing Repair and Improvement Partnership with Mears to fulfil this recommendation and strengthen the development work.	Under its New Homes for Neighbourhoods programme the council is ensuring constructors are delivering new apprenticeships across the range of construction sectors.
37. The CCG should develop a business case for housing initiatives that contribute to the improved health and wellbeing	<b>John Child</b> (CCG)	CCG - The ‘one place one budget’ approach gives the CCG and BHCC the opportunity for more joined up work particularly to address the wider determinants of ill health such as the warm homes project.	

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of residents and take pressure off health services, such as heating and insulation improvements in the homes of older and disabled people.		BHCC - Completed by Housing Health Inequalities Steering Group <ul style="list-style-type: none"> <li>• Report: Housing and Health Inequalities: Cost/Benefit Evidence Portfolio (Housing Strategy Team, September 2011)</li> </ul> This recommendation is being used to drive the work around: <ul style="list-style-type: none"> <li>• new Affordable Warmth &amp; Fuel Poverty Strategy</li> <li>• provision of adaptations and DFG’s</li> <li>• Better Care homelessness funding</li> </ul>	
38. Brighton & Sussex Universities should work in partnership with the council to develop an integrated accommodation and transport strategy that will allow 100% of purpose built accommodation for all first year students in the city. Consideration of opportunities within the whole Greater Brighton region to be key to this.	<b>Martin Reid</b> (Housing BHCC); <b>Brighton University;</b> <b>Sussex University</b>	Recommendation is being considered alongside findings of Student Housing Study and used to inform future City Plan policy and review of the Student Housing Strategy.  Needs to be accepted that if the amount of PBSA was increased to meet the recommendation, then this would require more developments of student housing on sites which could also be used for residential.  However, advantage is that more PBSA can be put on a site and it reduces pressure on existing residential private sector homes.	Links to Private Sector Scrutiny 2015 Recommendations 9, 10, 11 This recommendation is supported in the Housing Strategy 2015 through the following strategic actions: <ul style="list-style-type: none"> <li>• 22. Continue to support the development of new affordable purpose built student accommodation in a range of locations within the city in accordance with City Plan policies.</li> </ul>
39.	<b>Graham</b>	In response to this recommendation the council is to review and	A strategic decision was made to locate Housing

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588 The council should develop a new corporate debt collection strategy. This should bring together council tax collection with other local authority debt collection such as rent arrears, Housing Benefit overpayments, and the Discretionary Payments teams into a single ‘Income Management Team’.	<b>Bourne</b> (Revenue and Benefits BHCC)	update its corporate income and debt strategy. However it does not extend to the formation of a corporate income management team. There are four main income / debt collection areas Revenues & Benefits, Housing, Parking and Corporate Collection (which manages collection on behalf of all other services). All of these link and have relationships with each other. The thrust of this recommendation relates to the tax, welfare and housing area of income/debt collection. Of these Council Tax, Business Rates, Housing Benefits and Discretionary Payments work within the same section, Revenues & Benefits, and co-ordinate their efforts. Housing Income Management operates separately from a different location but the relationship between them is strong and well developed.	Income Management on a separate site to the Revenues and Benefits service as it was evidenced that the co-location of the team to Housing Services was more beneficial than a remote location with Revenues & Benefits. This decision was thoroughly tested at the time and there is no plan to revisit it.
40. The council should develop a more consistent approach to assessing affordability by, for example, creating a unified income and expenditure form with guideline amounts for outgoings.	<b>Graham Bourne</b> (Revenue and Benefits BHCC)	This recommendation is welcomed and is helping to drive work led by the Welfare Reform Project to design and agree a corporate financial assessment form that can be used across services. This work dovetails with the Customer First in a Digital Age development of a single online financial assessment portal. Further work is being explored between Adult Social Care and Revenues & Benefits to see whether financial assessment processes could be brought together for improved efficiency and consistency.	While the work as described is driven by the intent to introduce consistency this may not be absolute as the considerations of income assessment do differ between services in relation to specific requirements.
41. The council should review	<b>Graham Bourne</b>	It is agreed that early information relating to vulnerability is beneficial both in terms of effective vulnerability support and	Because of the confidential nature of health And vulnerability information the Council cannot exclude

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internal data sharing policies in order to identify vulnerable residents at an early stage of debt collection.	(Revenue and Benefits BHCC)	effective debt collection. The Council intent is to responsibly manage the boundary between the integrity of personal information and data sharing. This is a difficult area and through individual services and the corporate income and debt programme these boundaries are being tested. In response to this recommendation further work will be done to clarify these boundaries particularly in respect of tax collection and information held in Health & Adult Social Care.	the potential for debt recovery action being taken in ignorance of vulnerability issues.
42. The council should explore the potential for Digital Logbooks for those tenants who are online.	<b>Ododo Dafé</b> (Housing BHCC)	The feasibility of Digital Logbooks was previously looked into by the Housing team. In order for these to be introduced we will take steps to get the Housing service incorporated on the council’s My Account system, and increasing staff and tenant digital confidence through the Digital Brighton & Hove programme of work. It is unlikely that we will look into Digital Logbooks within the next financial year; although we will be preparing a short digital strategy to focus our attention on supporting increased digital inclusion and providing effective, accessible and timely services through digital channels.	
43. The council should adopt the council tax collections protocol, as endorsed by the Local Government Association.	<b>Graham Bourne</b> (Revenue and Benefits BHCC)	In response to this the Local Advice Agencies will be updating the protocol in December/January. The City Council will be involved in this process and will sign up to the new version	
44.	<b>Graham</b>	In order to achieve this the communications team and the	<b>MWG PRIORITY</b>

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090 To raise awareness of available support services to those on low income or struggling with debt, tall partners should actively promote The Advice Partnership, Citizens Advice Bureau, East Sussex Credit Union and Moneyworks, signposting or referring people to these services.	<b>Bourne &amp; John Francis</b> (Revenue & Benefits BHCC); <b>Michelle Pooley</b> (CETS BHCC); <b>Brighton and Hove Connected</b>	welfare reform programme have produced a fact sheet/toolkit referencing these and other relevant organisations and services. This is designed for front line staff.  To successfully promote and embed this information throughout front line services the information will be fed down through management layers to front line teams.	
45. The council’s Welfare Rights team should be co-located in the new Advice Hub at Hove Town Hall to maximise value and joint working.	<b>John Francis,</b> (Welfare Reform BHCC) <b>Brighton and Hove Connected</b>		<b>MWG PRIORITY</b>  Currently the welfare rights team are central to the Revenues and Benefits service and it would not be strategically effective to move them away from the core services at this stage. The service is in the process of developing a ‘welfare framework’ which is designed, to make best strategic use of resources in the Council, and, in conjunction with voluntary sector partners, to provide an effective and cost efficient welfare support network which meets the challenges the city is facing over coming years. The development of the framework includes a review of



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			the welfare right functions and a rationalisation of the best use and location of support resources. If this strategic review concludes that there should be a specific council presence in the Advice Hub then this will be put into place.
46. Cuts to benefits and tax credits for working and out of work families, and the roll-out of the Universal Credit benefit, mean there needs to be a significant investment in welfare benefits and money advice to help protect the local economy and ensure low income families receive the help they need.	<b>John Francis</b> (Welfare Reform BHCC) <b>Brighton and Hove Connected</b>	The council welcomes this recommendation which helps to drive related work, such as: The council holds a specific commission with CAB/Moneyworks to support people who are claiming Universal Credit with claiming online and budgeting issues. There are also money advice commissions which relate to the council’s housing tenants and health inequality. Also the Communities & Third Sector Prospectus for 2017 – 2020 includes provision of a Community Banking Partnership model which includes high quality accessible money advice that meets the needs of people and places and reaches communities experiencing the highest levels of financial exclusion in Brighton and Hove. The Welfare Rights team who work within the Revenues and Benefits service provide welfare benefits advice and crucially provide training to local community and voluntary organisations on welfare benefits and related issues so up to date advice can be provided widely in the city.	Although not specifically advice related the council is also investing to directly work with families most significantly affected by welfare reforms to help them mitigate the impact of these changes.
47.	<b>Sarah</b>	In response to this recommendation the council is reviewing the	

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The council should implement the actions set out in the Child Poverty Commissioning Strategy 2012.	<b>Colombo</b> (Families Children and Learning BHCC)	Child Poverty Commissioning Plan 2012-15 in order to update and identify any outstanding actions.	
48. The council and the city’s foodbanks and advice agencies should work closely with Job Centre Plus locally to reduce the numbers of families referred to foodbanks because of a problem with the benefit system, such as delays in processing or a flawed decision sanction a benefit.	<b>Caroline Parker. John Francis</b> (BHCC); <b>Brighton and Hove Food Partnership</b>	<b><u>Welfare and Money advice in foodbanks</u></b> Advice on benefit issues is now available in most foodbanks and where emergency food is provided in the city. This has proved central to ensuring that underlying issues with benefits which may be causing food bank use are addressed and resolved as soon as possible. The Emergency Food Providers Network hosted by Brighton and Hove Food Partnership is key to this and maintaining the relationship between emergency food providers, the advice sector and the council. The July 2016 survey of food banks indicated strong support for this network and the Food Partnership is seeking funds to continue its work (current funding from Esmee Fairbairn Foundation ended in August 2016). Cost to run per year £3500. It is important to emphasise that advice is provided as far as resources allow. Although every effort is made to provide a broad coverage of advice provision, it is not possible for Moneyworks to cover regular desks at all 15 foodbanks in the city. Some other funding streams, for example Big Lottery funding made to Money Advice Plus which has been used to fund	

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<p>593</p>		<p>some of the advice in these circumstances, are agreed for a finite period and future provision will depend on achieving extensions or alternatives to these funding streams.</p> <p><b><u>Liaison with Job Centre Plus</u></b>                      Local advice providers, the council’s welfare rights team and Housing maintain relationships with the local Job Centre Plus managers and the local Job Centre Plus Social Justice Champion so that where possible local benefit processing issues can be strategically addressed in addition to individuals being supported.                      The council’s Housing department has undertaken work with the Job Centre to identify vulnerable tenants to make sure they are marked as such on Job Centre Plus systems. This is so Department for Work and Pensions decision makers can take this information into account when following their processes.</p> <p><b><u>Job Centre Plus hardship provision</u></b>                      The Job Centre has processes for identifying hardship and there are provisions in place - hardship payments, advanced payments etc - to assist people in these positions. JCP have arranged sessions with food banks to provide an overview of these measures so foodbanks can refer people to them where appropriate.</p>	

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		<p>The Welfare Rights team train community and voluntary sector organisations in a range of benefit related issues including hardship issues and benefit sanctions. The team and JCP will explore the possibility of providing joint training on these issues.</p> <p><b><u>Council provision and support</u></b></p> <p>Families are referred to the food banks in children’s centres from health visitors and are offered up to 6 visits for each referral. Families are encouraged to contact the Family Information Service. In Whitehawk the Children’s Centres is also able to refer clients for a one off visit to St Cuthmans foodbank which is available to Whitehawk residents. They have a money advice service at the church when the foodbank is.</p> <p>Family Information Service offers telephone and face to face advice to families facing financial hardship and immediate crisis. Services include referring to food banks, applying for Local Discretionary Fund and charitable grants, working out budget plans and referring for more specialist advice. Two DWP Advisers who are part of the Stronger Families programme are now managed by the FIS managers offering a joined up programme of back to work support.</p>	
<p>49. The council, working with city schools, should bring to</p>	<p><b>Hilary Ferries,</b> (FCL BHCC)</p>	<p>In response to this recommendation the council will:</p> <ol style="list-style-type: none"> <li>1. Make contact with Poverty Proofing the School Day’ (HF August 2016)</li> </ol>	<p><b>MWG PRIORITY</b></p> <p><a href="http://www.povertyproofing.co.uk">www.povertyproofing.co.uk</a> / <a href="http://www.children-">www.children-</a></p>

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<p>Brighton &amp; Hove the ‘Poverty-proofing the School Day’ initiative to ensure no child misses out on the opportunities and experiences at school because of low family income. This would also help to close the gap between the attainment results of children eligible for free school meals and others.</p>		<p>2. Discuss with school leaders and FCL colleagues to assess level of interest (<b>Ellen Mulvihill</b>) (September / October 2016)                      3. Agree way forward with the scheme (SLT – November 2016)                      4. Review progress / elements (<b>Ellen Mulvihill</b> Summer term 2017)                      5. Closing the Gap Strategy will be reviewed (Jo Lyon’s SLT Autumn 2016)</p>	<p><a href="http://ne.org.uk">ne.org.uk</a>                      Initial contact with ‘Poverty-proofing the School Day’ has shown that the cost to implement the self-evaluation review scheme is £10,000 to train a group of reviewers and then have a license to review 5 schools. There would be negotiation around costs for further licenses.</p> <p><b><i>4 cost options have been identified for this work with priority being given to the North East model covering all schools in the city with a one off cost of £150k and a 2 year programme of work.</i></b></p>
<p>50.                      The council should seek support from partners to offer free school meals in school holidays, focusing on the most deprived communities first, to make sure that no child goes without at least one proper and healthy meal a day.</p>	<p><b>Susie Haworth,</b> (FCL BHCC);  <b>The Food Partnership</b></p>	<p>Discussions with BHFP and Chomp identified a gap in provision in the west of the city. The school meals team facilitated a meeting with West Blatchington Primary to discuss and assess if the Chomp model could be adapted and used in a school environment (all other locations are churches/church halls). Funding is required to meet some costs (school site manager/room hire, provision of food &amp; labour to produce meals) this is currently being met from the overall school meals budget.                      After the summer break Susie Haworth will review the pilot offer with Amy Goodwin from Chomp and possibly BHFP.</p>	<p><b>MWG PRIORITY</b></p> <p><b><i>The cost to roll out the scheme further is unknown and would wholly depend on the number of sites across the city. The pilot at West Blatchington averaged a cost of £2.13 per meal mainly due to the high cost of labour to the number of meals being produced as the numbers able to attend each club is limited. Pupil premium would not be a source of funding for this scheme, decisions as to how it is spent is a governing body decision and its</i></b></p>

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596		BHCC to explore if grant funding would be available to support the clubs and as part of the review discuss other delivery models.	<p><i>expenditure directly linked to support the progress of pupils who qualify. There should be an awareness of budget pressures being faced by schools.</i></p> <p><i>The school meals budget will continue to support Chomp for the financial year 16/17 and hopefully through to the summer break of 2017, however, as there is a possibility of the mobilisation and demobilisation of the current school meals contract this would need to be discussed further. Other sources of funding maybe from grant sources, however, these may be more challenging to access as Eden (Interserve) are a private company. I am not aware what other budgets could be used other than through external support such as grants and gifts which may be small and not guaranteed. As part of the tender we will be considering support of such a scheme under social value criteria.</i></p> <p><i>It is important to highlight the challenges we may face just using the school meals/school infrastructure to deliver free meals during holiday periods. I believe that the service has a part to play in helping to reduce food poverty across the city, however, the</i></p>

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			<p><i>financial responsibility for such a programme should not sit with schools/school meals service. Alternative delivery models to that employed at West Blatchington must be considered.</i></p>
<p>51. The council should inform parents about the new right to request wraparound or holiday childcare and work within them to establish appropriate provision.</p>	<p><b>Caroline Parker, Julia Daborn. Fiona Ricci</b>, (FCL BHCC)</p>	<p>This recommendation fits with the Government guidance for maintained schools and academies. The guidance states that schools should inform parents of their ‘right to request’ wraparound and holiday childcare. A copy of the guidance can be found <a href="#">Here</a>.</p> <p>In response to this recommendation and the Government guidance the council <b>has informed</b> schools about the guidance at the start of the autumn term and encourage schools to inform their parents about the right.</p> <p>The Family Information Service will promote parents’ right to request that their child’s school offers childcare outside of school hours on their Family Services Directory and Twitter account. They will signpost parents to information on Gov.uk once it becomes available.</p> <p>The council will work with schools to help with establish appropriate provision.</p>	<p>The Childcare Act 2006 places a duty on local authorities to secure sufficient childcare, so far as is reasonably practicable, for working parents. The Childcare Sufficiency Assessment, which will include out of school childcare, is being updated and will be reported to the November Children, Young People and Skills Committee in November.</p> <p><b>Note: there is limited staff capacity (part of a 0.6 post) and no funding to support schools.</b></p>
<p>52. Brighton &amp; Hove schools should work with children and young</p>	<p><b>Hilary Ferries</b> (FCL BHCC)</p>	<p>Support for the planning and development of a ‘curriculum for life’ (PSHE education) is strong, but practice is variable across schools.</p>	<p>Guidance and resources available and promoted to schools via <a href="http://www.pier2peer.org.uk">www.pier2peer.org.uk</a> Schools are responsible for their own curriculum and</p>

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people to incorporate a ‘curriculum for life’ to equip school-leavers with valuable life skills, including, for example, personal finance skills and relationship education.		Actions: Partnership Adviser: Health and Wellbeing, Teaching and Learning consultants and post 16 team to continue to provide support and challenge to schools to improve PSHE education provision.	so we can support, challenge and signpost to resources, but schools decide on curriculum time and content.
53. The council should prioritise support for children’s centres and remove barriers to communities using them outside of core hours so they can be used as community hubs.	<b>Caroline Parker</b> (FCL BHCC)	The Council’s four year budget plan agreed in February 2016 did not propose any further funding reductions for Children’s Centres. However the Council is facing a significant reduction in funding over the coming years so future funding will need to be kept under review. Work we are developing in line with this recommendation: There is a license in place allowing a community organisation to use Hollingdean CC at weekends to allow park users and the local community to use children’s centre space including toilets and run a pop up café. The Tarner Children’s Centre is used by a community organisation on alternate Saturdays and during the evening. Plans are being developed around greater use of the facilities available at South Portslade Children’s Centre (located with Portslade Library) which could be accessed by groups of parents and community groups during evenings and weekends when access and support to the library building is available through the Libraries extra initiative.	We are expecting new Government guidance and a revised Ofsted inspection framework for children’s centres and will need to take account of these changes in the future.  There are seven designated children’s centres. One is based in a building owned by Sussex Community Foundation NHS Trust. The Council buildings are: Tarner, Roundabout, Moulscomb, Hangleton, Hollingdean, Portsalde.  Children’s Centres do not have caretakers and staff are not employed outside core hours.  Smaller CCs are based in schools and are subject to the school’s policy on the use of buildings outside hours.



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		<p>Hangleton Park CC works closely with the Hangleton Community Centre based in the same building. Hangleton Community Centre is open evenings and weekends hires out rooms at low cost for community use.</p> <p>The Council will also develop a policy to allow a recognised organisation with a responsible person to access the public areas of stand-alone council buildings during evenings or weekends by January 2017.</p>	
<p>54. The council’s city wide Corporate Parenting Board should find new ways to genuinely include children and young people; especially those in or recently leaving care.</p>	<p><b>Gerry Brandon</b> (FCL BHCC)</p>	<p>In response to this recommendation work is underway to write a new Corporate Parenting strategy with engagement activities with children &amp; young people as part of this process including a 3 day activity programme with young people’s views and input being actively sought throughout.</p> <p>The website is in the final stages of implementation</p> <p>The Children in Care Council is being re-launched with a specialist worker to ensure it meets regularly and informs children &amp; young people and offers engagement activities. The older sub-group of the Council, the Young People’s Panel is also being re-vitalised. Care leavers attend the Corporate Parenting Board, they are involved in member training and arrangements are being developed for members to visit care leavers at their Young People’s Panel meetings.</p>	<p><b>MWG PRIORITY</b></p>

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		<p>All care leavers between 18-21 years are offered the opportunity of a ‘Moving on from Care’ interview to reflect upon their care experience and a range of surveys and questionnaires on specific areas of service delivery are used to gain as many views as possible.</p>	
<p>55. All schools should be required to engage with the national Young Carers in School Programme to enable them to identify and better support young carers and to report on actions taken to address young carer needs.</p>	<p><b>Mat Thomas,</b> (Carers Centre)</p>	<p>In response to this recommendation: Young Carers Section added to Safeguarding Schools audit (Apr 2016). Young Carers Project has Young Carers Schools Lead commissioned by Children’s Services supporting schools. Young Carers in Schools Programme is an active component of the 16-17 Young Carers action Plan.</p>	
<p>56. The council should continue to work with local support projects to ensure policies are inclusive and that all children receive the support they need. (ensuring diversity of CYP voices /participation)</p>	<p><b>Chris Parfitt</b> (FCL BHCC)</p>	<p>Youth organisations that have contracts with BHCC have built into them monitoring and performance indicators which outline the expectations on inclusion and participation. In the current year more money has been set aside directly for the work with BME, LGBT and young people with disabilities. A quality assurance system for youth work is currently in place but needs revision along with the curriculum frame work. In response to this recommendation work is currently underway to extend and improve the links with and between communities to increase young people’s voice and participation.</p>	<p>The development of the Youth and Employability Trust which will lead for the LA the Positive for Youth, Youth Offer will be investigating how well youth organisations are reaching underrepresented groups of young people.</p>

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57. Council & partners should recognise and support the effective work being done by the community and voluntary sector to address social isolation.	<b>Annie Alexander</b> (Public Health BHCC); <b>Brighton &amp; Hove Connected</b>	This is a welcome recommendation and fits with work the council and the CCG have funded in the creation of <b>the Locality Hub and City Wide Connect programme</b> , to address social isolation by offering a mix of services that include community based interest and activity groups, befriending and building based day services, delivered by partnerships of voluntary sector organisations working across the 3 locality hubs – east, west, central. The City Wide Connect programme is funded to support and develop the hubs.	<i><b>There are contracts with a range of providers to deliver these programmes. They have just been extended for one more year – ie till end March 2018. Reprocurement will take place during 17/18 following consultation with providers and the public, with new contracts in place for 1st April 2018.</b></i>
58. Council & partners should work to together to implement all the recommendations set out in the city’s Food Poverty Action Plan 2015 - 2020.	<b>Becky Woodiwiss</b> (Public Health BHCC); <b>The Food Partnership,</b>	The Food Poverty Action Plan was accepted by the NCE committee in Nov 2015; an update went to the Health and Wellbeing Board in September 2016. In response to this recommendation a review of progress is underway for consideration by lead officers in late 2016.	<i><b>This is a joint plan with a range of organisations. The council’s elements are funded as things stand. Any additional budget cuts might impact on the overall programme.</b></i>
59. All partners should consider the gaps identified by residents in relation to the World Health Organisation’s criteria for an Age Friendly City and develop a revised action plan by April 2017. As part of a broader aim,	<b>Annie Alexander</b> (Public Health BHCC); <b>Brighton and Hove Connected</b>	The Age Friendly City Steering Group, which includes representatives from the public, voluntary and community sectors and older people (includes 2 members of the OPC), has worked through 7 of the 8 domains of the WHO Age Friendly City framework, and has identified assets, gaps and recommendations / actions for these. The remaining domain (employment and civic participation) is being discussed in September 2016.	<i><b>Work is currently done in collaboration and within existing resources.</b></i>

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Brighton & Hove should aim to become a fully accessible city by 2020.			
60. All partners should work together to ensure greater enforcement of restrictions on street clutter such as A-board advertising, tables and chairs outside, as well as the council’s own communal bins when positioned on the pavement, and the council should work with local businesses and other partners to ensure meaningful enforcement of restrictions on street clutter.	<b>Mark Prior</b> (Transport BHCC); <b>Brighton and Hove Connected</b>	The Highway Enforcement team licence and enforce regulations on A-boards, tables & chairs, skips, scaffolds, builders’ materials, overgrown hedges and hoardings. The policy for such placements was reviewed by Members in 2016, and was originally informed by the Street Access Scrutiny of 2010. A new IT system is being commissioned which will enable more efficient licensing and enforcement of skips, scaffolds and builders’ materials in line with the drive of this recommendation.	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.
61. The council and its partners should adopt the Crawley model. A Town Access Group to take action on accessibility issues out and about in the city, including checking planning	<b>Brighton &amp; Hove Connected</b>		<b>MWG PRIORITY (Linked to Rec 15)</b>  Planning would need to consult a Town Access Group on all relevant public realm planning applications. – Liz Hobden <b>(BHCC Planning)</b>  Discussed response & implementation at Brighton &

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applications and commenting on access issues.			Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.
62. The council’s ‘Use our Loo’ scheme has had little impact and our evidence suggests little is known about it. The council should lead by example by displaying the ‘Use our Loo’ sign on public buildings, promote the scheme more widely and do more to influence businesses to join up to the scheme.	<b>Richard Bradley</b> (CityClean BHCC)	This was subject to a Scrutiny review in 2013 and a small number of businesses signed up to the scheme, though a significant majority were not willing to do so and there is little evidence to suggest this view has changed. Not all public buildings have toilets that are provided as public conveniences, though this will be explored further with colleagues from Property Services to determine what may be possible in line with this recommendation.	<a href="#">Scrutiny Review Monitoring Report Jan 2016</a>
63. That the CCG and partners commit to developing a plan to implement place-based health commissioning based on the following five enablers set out in the Place-Based Health Commission’s report: a) Embed long-term planning – develop a	<b>John Child</b> (CCG); <b>Health &amp; Wellbeing Board</b>	The CCG and partners have developed a long term place based plan which describes integration of provision and commissioning of health and care services in Brighton and Hove that fits with this recommendation. The vision is illustrated in a diagram that is being referred to locally as ‘The Brighton Rock’ The key features are as follows: <b>Empowered citizens</b> and <b>resilient communities</b> are at its heart, supported by <b>Cluster Care Teams</b> – clusters of GP practices working with social care, community nurses, therapist, mental health specialists and the voluntary sector, with each cluster	

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<p>fifteen year forward view for place-based health which would be designed to overcome the short term operational and political pressures that prevent a focus on transformation</p> <p>b) An explicit focus on breaking through the evidence paradox – building credibility in the investment case for prevention</p> <p>c) A renewed push towards integrated local commissioning</p> <p>d) A route map towards place-based health – working towards 2030, informed by the outline a route map set out in the get well soon report to achieve population-</p>		<p>servicing a population of around 30,000-50,000 local citizens – and <b>responsive community services</b></p> <p><b>The successful delivery of the vision is built on achieving the shift from a reactive to preventative approach.</b></p> <p>Over the coming months we will be working together to articulate the roadmap for delivery of the vision including a systematic approach to readiness for change.</p>	

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level planning and commissioning e) A systematic approach to building readiness for change - invest in a transformation process that will take partners to joint workforce planning, place-based outcome agreements and collaborative accountability frameworks and hold the key partners to account for outcomes in a place.			
64. That the CCG and partners expand the Health Champions networks, particularly in those neighbourhoods where the need is greatest but the take up of services is generally	<b>Jane Lodge</b> (CCG)	In response to this recommendation work will be carried out this Autumn (2016) to develop the Health Champions work further. This will include targeting specific neighbourhoods and communities of interest.	

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lowest, including for mental health services.			
65. That the CCG and partners make the best use of estates of all partners to provide health services in neighbourhood hubs.	<b>Jane Lodge</b> , (CCG); <b>Emma McDermott</b> (CETS BHCC); <b>Angela Dymott</b> (BHCC)	This recommendation is being used to inform the development of neighbourhood hubs in which all public sector property is being considered, including looking at options for healthcare outreach. All partners are represented on the working groups for each hub. <b>Ben Miles</b> .	
66. GPs should be informed if their patients are receiving services from the Troubled Families Programme so that work is better joined up.	<b>Mat Thomas</b> (BHCC); <b>Carol King</b> (CCG)	This recommendation will be taken forward as part of a GP pilot for the Early Help Hub. Working to improve GP/Early help Hub information sharing.	
67. Health services should work with Age UK and other third sector groups to provide dementia friendly services across the city.	<b>Gemma Dawson</b> (CCG); <b>Health and Wellbeing Board</b>	The Dementia Action Alliance has been commissioned in the city which seeks to raise awareness of dementia with the wider public and businesses in the city. In response to this recommendation a key element will be promotion of dementia friends schemes and support for organisations to enrol. The Board undertook dementia friend training in 2014	
68. That the Health & Wellbeing Board review	<b>Health and Wellbeing</b>	The HWB currently has 5 voting members from the CCG and also 5 voting members from the Council (all councillors). Other non	



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and strengthen its membership.	<b>Board</b>	voting participants have to be part of the Board as laid down in legislation.  The HWB is part of a potential changing governance structure with the addition of Sustainability and Transformation Plans etc. The Board will be reviewed in the light of these changes and informed by this recommendation as the governance structures which impact on the Board become clear. The council is currently working with the LGA on what these changes may mean for not only our Board but others nationally.	
69. The council should establish a joint protocol between Adult Services and Children’s Services for referrals, assessment and support for parents with learning disabilities (as set out in DH Good Practice Guidance on working with parents with a learning disability, 2007).	<b>Emma Cockerell, Anna Bacchoo, Julie Dreher</b> (FCL BHCC)	Brighton and Hove Children’s Social Care have nominated representatives who have begun to review joint working processes between adults and children’s social care in response to this recommendation. A workshop will take place on 10 <sup>th</sup> November to review current practice and protocol, in line with our statutory duties to devise a joint assessment and care pathway. (Lead officer <b>Emma Cockerell</b> – October 2016) -Practice guidance regarding the use of early pre-birth assessment has been in place since June 2015 and PAMS `guidance has recently been revised to restate the importance of a focus upon strengths and the creation of a plan to address deficiencies. (Lead Officer <b>Anna Bacchoo</b> ). -Guidance has been produced upon the use of parent and baby placements and further training is planned for foster carers to	

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		<p>support them in supporting the needs of parents who have a learning disability. (Lead officer <b>Anna Bacchoo</b> – Timescale- December 2016)</p> <p>-The Early Parenting and Assessment Programme to trial complementing PAMS assessments alongside those designed to assess parents capacity to change over time in order to better predict support needs over time. (Lead Officer <b>Julie Dreher</b> – timescale October 2016)</p> <p>-Looking Forward to engage with voluntary partners to ensure knowledge of the service is more widely understood and meets the needs of parents who have children permanently placed outside of their care. (Lead Officer <b>Julie Dreher</b> – October 2016)</p> <p>-Services to support access to independent advocacy for parents with a learning disability, who are open for a social care assessment in respect of their children. (Lead officer <b>Emma Cockerell</b> – timescale - October 2016)</p> <p>-Review the use of the Early Help pathway in relation to parents with a learning disability to ascertain the extent to which prevention is in progress. (Lead Officer <b>Emma Cockerell</b> – Timescale December 2016)</p>	
<p>70. The council should work with experts from the University of Bristol Norah Fry Centre for</p>	<p><b>Emma Cockerell</b> (BHCC)</p>	<p>The provision of an independent evaluation relies on funding to be made available. In response to this recommendation Brighton &amp; Hove will make enquiries to the University of Bristol and the costs will be presented to DMT/ELT for approval. (Lead officer</p>	

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Disability Studies to conduct an independent evaluation of current practice in supporting parents with learning disabilities in Brighton & Hove, and to develop specialist support for parents with learning disabilities.		<b>Emma Cockerell</b> – Timescale- November 2016) -Review available evidence and research as to what works as set against current provision of services to consider the need for what reasonable adjustments can be made to existing services. (Lead Officer <b>Tom Stibbs</b> – Timescale spring 2017) -As an interim measure it is suggested that the cases reported within the Impetus report, be made subject to joint children and adults multi-agency audit, alongside a randomised control group to ascertain what could have been done differently to achieve the best outcome for the children concerned. (Lead Officer <b>Deb Austin</b> – Timescale Feb 2017).	
71. The council should provide parents with learning disabilities with a choice of how they wish to live and be supported. This could involve extending Shared Lives, to parents with learning disabilities (currently available in Brighton & Hove to adults with learning disabilities), as well as	<b>Emma Cockerell</b> (BHCC)	See response to 68 above. -Brighton and Hove to consider the types of support to parents as part of the joint referral and assessment strategy in accordance with researching the longer term outcomes for children within Shared Lives type accommodation. (Lead Officer <b>Helen Gulvin</b> – Timescale Spring 2017) -The suggested audit (see b) could contribute to the review of what works and reviewing gaps in needs to inform commissioning arrangements in relation to service provision. (Lead Officer <b>Tom Stibbs</b> – Timescale - Spring 2017)	

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specialist support as outlined above.			
72. The council should ensure all staff are fully aware of how the Care Act 2014 applies to parents with learning disabilities, at all relevant stages.	<b>Brian Doughty</b> (BHCC)	The council has a programme of mandatory training for staff around the Care Act; In response to this recommendation this will be reviewed to ensure that staff understand how this applies to parents with learning disabilities and additional training can be arranged if necessary.	
73. To improve access and rights for Deaf people who use British Sign Language, the council should sign up to the British Deaf Association’s Charter for British Sign Language and implement the five pledges set out within it.  a)Ensure access for Deaf people to information and services and for health care services this	<b>Emma McDermott</b> (CETS BHCC)	Assessment of current activity against the five pledges of the charter will be carried out in response to this recommendation. Followed by an action plan to improve activity as required and appropriate within available resources. <b>Sarah Tighe Ford.</b> To start early 2017 following completion of EFLG assessment and equality and inclusion policy refresh with report scheduled for NCE committee April 2017.	<b>MWG PRIORITY</b>

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should follow the principles of the Accessible Information Standard b) Promote learning and high quality teaching of British Sign Language c) Support Deaf children and families d) Ensure staff working with Deaf people can communicate effectively in British Sign Language e) Consult with our local Deaf community on a regular basis.			
74. The council and partners should develop the new city-wide Autism Strategy, with the full involvement of people with Autistic Spectrum Conditions (or their families/carers)	<b>Anne Hagan, Ali Mayhew; Brighton and Hove Connected</b>	a) Following a recommendation from the Scrutiny Committee in January 2016 and in line with this recommendation, Children’s and Adult services are developing a Joint Children’s and Adults Autism Work Plan.  This work plan will focus on the key shared priorities between both services:	Recommendation being progressed through Continued joint work with Adult Social Care, Children’s services and the CCG.  <b><i>No budget implications.</i></b>

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<p>and ensure suitable resources are allocated for full implementation, recognising that funding for early intervention can prevent greater spend later on.</p>		<ul style="list-style-type: none"> <li>• Transitions</li> <li>• Pathways: Accessing services</li> <li>• Training and Awareness raising</li> <li>• Information, advice and signposting</li> <li>• Support to families / carers</li> </ul> <p>To support the development of this work a joint Children’s and Adults Stakeholders Group has been established. This group has representation from a range of stakeholders including adults with autistic spectrum conditions and parent carers of children with autistic spectrum conditions. Other stakeholders include council and CCG commissioners, education staff and clinical staff.</p> <p>An update on the development of this plan will be taken back to the Scrutiny Committee in February 2017.</p> <p>b) Training for health and social care professionals in Autistic Spectrum Conditions, including the range of reasonable adjustments that should be offered.</p> <p>A range of training is available across children’s and adults services including:</p> <ul style="list-style-type: none"> <li>• Autism Champions</li> <li>• Basic Awareness</li> </ul>	

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		<ul style="list-style-type: none"> <li>• Autism and Social Interaction</li> <li>• Autism, the environment and sensory issues</li> </ul> Lead Officers: <b>Natalya Garzon</b> Adult Social Care) <b>Ali Mayhew</b> (Families, Children & Learning)	
75. Health and social care professionals in the council should receive training in Asperger’s and Autism Spectrum Conditions, including in ensuring the range of reasonable adjustments available is properly understood by staff and that those with a condition are asked if any adjustments would be helpful.	<b>Glenn Jones</b> (BHCC)	We have been providing the training to social care staff, mapped to National Occupational Standards and agreed through the strategy steering group. We have also put together an autism champion’s scheme (primarily focused on staff in BHCC & partner organisations working with adults). This has associated training.  In response to this recommendation there has been a coming together of strategy across the adults and children’s areas, part of this calls for us to look at training provision and champion initiatives across the two areas. – This work is scheduled to start this in the autumn when schools return.	
76. The Council’s Housing Options service should be reviewed with the full participation of the LGB and Trans	<b>James Crane;</b> <b>Sylvia Peckham</b> (Housing Options BHCC)	Overview and Scrutiny on trans community and the council 2013, made recommendations for Housing Options and temporary accommodation which have been incorporated into the Homelessness strategy. Point 4 in our strategic Objectives on p31 is to “tackle homelessness amongst our communities of interest.	Housing Options and homelessness , the overall aim of the strategy is to plan and provide accessible, welcoming and safe housing and support services that are responsive to the needs of LGBT people and promote their health and well-being. There are a set

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community. As part of this the council should action its commitment to produce suitable guidance for Trans people seeking housing and related support services in the city.		“ One of our priority groups in the strategy is the LGBT community and they were consulted in the development of the strategy.  Housing Options staff are trained on issues for the trans community and all our communities of interest.  In response to this recommendation Housing consulted further with the Trans Needs group at the one year update and has obtained further feedback for the trans specific guidance which will be completed after the new Housing Allocation policy has been agreed by Committee later this year (2016).	of actions which encompass ensuring staff are trained on issues that affect the trans and LBGT community - and also there is guidance for support providers and private sector landlords.
77. The council and all partners should provide timely feedback on all engagement or consultation work that has taken place and explain what actions are being taken to address concerns raised by BME communities.	<b>Emma McDermott</b> (CETS BHCC); <b>Brighton and Hove Connected</b>	In response to this recommendation through the council’s corporate equality steering group and directorate equality groups council services will be reminded and supported to adhere to the engagement standards as agreed in the city’s Community Engagement Framework including a discussion on feeding back to BME communities. <b>Sarah Tighe-Ford</b> at ESG and DEG as scheduled.	
78. The council and its partners should ensure	<b>Emma McDermott</b>	Publicity on new Communities Fund to take account of this recommendation Spring 2017 <b>Jonathan Best</b>	

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that information on grants to BME Groups is accessible and readily available and people should be signposted to it.	(CETS BHCC), <b>Brighton and Hove Connected</b>		
79. The council and its partners should ensure that the City Employment & Skills Plan contains specific actions to address the issue of insufficient and unsuitable apprenticeships and support services so that BME people can secure employment.	<b>Rachel Carter; Brighton &amp; Hove Connected</b>	The <b>CESP Services Action Group</b> , Chaired by Simon Newell (Brighton & Hove Connected), will take forward this recommendation. The first meeting of the newly forward group is September 2016 and will initially report to the Learning, Skills & Employment Partnership in November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.	
80. The council and its partners should build on all the evidence submitted to the Fairness Commission and, working with all	<b>Emma McDermott (CETS BHCC); Brighton and Hove Connected</b>	Working under the Equality and Inclusion Partnership and through the BME needs assessment group a development process for the action plan will be designed and implemented ensuring BME communities are integral to the development of the plan. Emma McDermott.	<i><b>Due to lack of capacity in the CETS team this action will start in spring 2017.</b></i>

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<p>the Minority Ethnic groups, develop and implement a clear plan that will address the issues they have raised.</p>			
<p>81. To improve the lives of our Traveller residents who have nowhere to live in the city, reduce inequalities and save money, the council should develop a strategy of negotiated stopping places for Gypsies and Travellers.</p>	<p><b>Tracy John;</b> <b>Rachel Chasseaud</b> (Housing BHCC)</p>	<p>It is acknowledged that there is a lack of permanent and transit provision for Travellers nationally.</p> <p>The council is opening a permanent site and reopening the transit site in July 2016:</p> <ul style="list-style-type: none"> <li>• Permanent site of 12 pitches</li> <li>• Transit site of 21 pitches</li> </ul> <p>The council’s designated stopping place is Horsdean. The Gypsy and Traveller Accommodation Assessment 2014 did not find a need for additional transit provision to 2030.</p> <p>The GTAA did find a need for 32 additional permanent pitches in Brighton &amp; Hove by 2030. 19 of these are in the city’s urban boundary and 13 in the city’s National Park area. A site search is currently in progress.</p> <p>In exceptional circumstances and dependent on the location, a toleration protocol can be used for a maximum of 28 days.</p>	<p>Current GTAA need for transit provision has been met. Any Provision of negotiated stopping places would be subject to Planning and financial considerations.</p>

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<p>82. The council and its partners should review funding for VAWG &amp; SV specialist services, so that provision is protected and, where appropriate, increased to ensure help and support are in place to meet rising demand in terms of immediate safety and wellbeing, as well as longer term recovery</p>	<p><b>James Rowlands</b> (VAWG BHCC); <b>Brighton and Hove Connected</b></p>	<p>A new specialist domestic and sexual abuse service (‘The Portal’) was procured in 2015. The service is provided by RISE with sub-contractors CGL and Survivors’ Network. In developing the original specification for the specialist service there was a requirement for the provision of prevention and recovery interventions, working with victim/survivors and their children.</p> <p>Since this time, there has been a significant and sustained increase in demand for specialist domestic and sexual abuse services which is impacting on the delivery of ‘The Portal’ have been have been tabled at the Safe in the City Partnership Board setting out the increase in reporting, the impact on specialist services and the risks that this poses.</p> <p>The Strategic Commissioner is working with the provider(s) to manage this and a demand management plan has been put in place.</p> <p>To date the issue of demand has been raised at the Safe in the City Partnership Board in December 2015, April and June 2016 with reports describing this increase, the impact on the specialist service and the potential risks to service provision (both in terms of immediate safety and wellbeing, as well as longer term recovery).</p>	<p>The Strategic Commissioner has reached agreement with the provider to re-allocate funding from prevention and recovery services to front line community based services to ensure those most at risk are able to access help and support. This reduces the budget for prevention and recovery services from £169,706 to £95,400 and means therapeutic group interventions will cease, leaving 1 targeted programme and a small number of rolling or open access group work support sessions. There is a high likelihood of further reductions to the remaining prevention and recovery budget in 2017/18 in order to achieve savings and manage increasing demand.</p> <p>In addition to the demand management plan that the providers have in place, the Partnership Community Safety Team is offering support to the providers to develop a number of other mitigations, including additional ‘safety netting’ support and tools for professionals where victim/survivors are stepped down from specialist services.</p> <p>A Stakeholder Event was held with internal council stakeholders on the 7th November 2016 to the</p>

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			pressures on the specialist service, the mitigations in place and the risks across the council if preventative education is reduced. A further report will be taken to the in the City Partnership Board on the 13 <sup>th</sup> December 2016.
83. The council and its partners should refresh the commitment of the city’s leaders to a strategic response to DVA, RSVA and VAWG and ensure that it is core business for the city.	<b>James Rowlands</b> (VAWG BHCC); <b>Brighton and Hove Connected</b>	The city re-achieved White Ribbon Accreditation in 2015.  Domestic Violence and Abuse, Sexual Violence and Violence against Women and Girls are included as priorities within the Community Safety and Crime Reduction Strategy 2014-2017. There is an extensive work programme in place. Areas of work include increased training and awareness, sustaining the coordinated community response locally and integrating a response to these forms of violence and abuse into procurement. <i>(Lead Officer: Strategic Commissioner, Ongoing)</i>  The city’s Violence against Women and Girls Strategy comes to an end in 2016-2017. This will need to be refreshed. <i>(Lead Officer: Strategic Commissioner, March 2017)</i>	
84. The council and its partners should provide a specialist advocacy position for survivors to support recovery past	<b>James Rowlands</b> (VAWG BHCC); <b>Brighton and Hove</b>		<b><i>See recommendation 82. It is not possible to progress this recommendation in light of current demand and the financial envelope available.</i></b>

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the crisis stage and highlight any ongoing issues (A similar role to the Mind/Mindout advocacy service but specialised in domestic abuse).	<b>Connected</b>		
85. In response to the significant volume of calls for better understanding and awareness across all equality groups, there should be a city wide, cross sector training offer that is designed to meet the needs of all groups reflecting the fact that people often identify with more than one community.	<b>Glenn Jones (BHCC); Brighton &amp; Hove Connected</b>	The council, like many of the large organisations across the city has single agency training in place. This is likely to be a combination of face to face training and elearning.  For the social care workforce the council provides equalities training as part of the Care Certificate induction programme.  In response to this recommendation there will be a refresh of the council’s elearning to be more specific to individual protected/unprotected characteristics.	
86. To be included in the new CESP action plan: All employers should	<b>Rachel Carter; Brighton &amp; Hove</b>	The <b>CESP Services Action Group</b> , Chaired by Simon Newell (Brighton & Hove Connected), will take forward this recommendation. The first meeting of the newly forward group	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.

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<p>recognise and utilise the experience that older workers and disabled people can bring to workplaces and they should adopt recruitment and training offers in a way to upskill and side skill existing or new older and disabled staff and utilise their skills to train others.</p>	<p><b>Connected</b></p>	<p>is September 2016 and will initially report to the Learning, Skills &amp; Employment Partnership in November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.</p>	<p>Notes to be tabled at NCE Committee.</p>
<p>87. To be included in the new CESP action plan: City employers should recognise the potential inequality and impact on young people receiving a lower rate of pay from the National Living Wage (NLW) and should seek to pay all staff, regardless of their age, the NLW of £7.20</p>	<p><b>Cheryl Finella</b> (BHCC); <b>Brighton &amp; Hove Connected</b></p>	<p>The <b>CESP Business Support Action Group</b>, Chaired by Sarah Springford (Brighton &amp; Hove Chamber of Commerce), will take forward this recommendation. The first meeting of the newly forward group is September 2016 and will initially report to the Learning, Skills &amp; Employment Partnership in November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.</p>	<p>Discussed response &amp; implementation at Brighton &amp; Hove Connected Workshop 14 November 2016.</p> <p>Notes to be tabled at NCE Committee.</p>

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per hour as a minimum.			
88. To be included in the new CESP action plan: The council should continue to support the Chamber of Commerce’s Brighton & Hove Living Wage Campaign and Public sector providers should only contract with organisations that pay the Brighton & Hove Living Wage.	<b>Cheryl Finella (BHCC); Brighton &amp; Hove Connected</b>	The <b>CESP Business Support Action Group</b> , Chaired by Sarah Springford (Brighton & Hove Chamber or Commerce), will take forward this recommendation. The first meeting of the newly forward group is September 2016 and will report to the Learning, Skills & Employment Partnership in November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.
89. To be included in the new CESP action plan: Commissioning strategies for adult social care should ensure the price paid for care packages will fully allow local providers to meet the living wage obligations when	<b>Rachel Carter; Brighton &amp; Hove Connected</b>	The <b>CESP Services Action Group</b> , Chaired by Simon Newell (Brighton & Hove Connected), will take forward this recommendation. The first meeting of the newly forward group is September 2016 and will initially report to the Learning, Skills & Employment Partnership in November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.	

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delivering state-funded care. These new obligations need to be made explicit in the council’s market position statement, and the council should be encouraging all organisations within the local social care market to become living wage employers.			
90. To be included in the new CESP action plan: With support from the council, the Brighton Chamber of Commerce should spearhead the ‘Happy to Talk Flexible Working’ campaign and the council should become an accredited Timewise Council and lead by example within	<b>Cheryl Finella</b> (BHCC); <b>Brighton &amp; Hove Connected</b>	The <b>CESP Business Support Action Group</b> , Chaired by Sarah Springford (Brighton & Hove Chamber of Commerce), will take forward this recommendation. The first meeting of the newly forward group is September 2016 and will initially report to the Learning, Skills & Employment Partnership in November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.



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the city.			
91. To be included in the new CESP action plan: Employers in Brighton & Hove should lead the way nationally by publically listing pay ratios through the free public website <a href="http://www.paycompare.org.uk">www.paycompare.org.uk</a> for everyone to see and compare.	<b>Cheryl Finella (BHCC); Brighton &amp; Hove Connected</b>	The <b>CESP Business Support Action Group</b> , Chaired by Sarah Springford (Brighton & Hove Chamber or Commerce), will take forward this recommendation. The first meeting of the newly forward group is September 2016 and will initially report to the Learning, Skills & Employment Partnership in November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.
92. To be included in the new CESP action plan: The Department for Work and Pensions (Jobcentre Plus) should improve the employment support it gives to disabled people, particularly Deaf people and those with Autistic Spectrum Conditions.	<b>Rachel Carter; Brighton &amp; Hove Connected</b>	The <b>CESP Services Action Group</b> , Chaired by Simon Newell (Brighton & Hove Connected), will take forward this recommendation. The first meeting of the newly forward group is September 2016 and will initially report to the Learning, Skills & Employment Partnership in November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.

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93. To be included in the new CESP action plan: Support young people with the development of soft skills and mentoring support, via the emerging Enterprise Advisor network, in partnership with the city’s schools, colleges and universities.	<b>Rachel Carter; Brighton &amp; Hove Connected</b>	The <b>CESP Skills Action Group</b> , Chaired by Sarah Williams (Sussex Learning Network), will take forward this recommendation. The first meeting of the newly forward group is September 2016 and will initially report to the Learning, Skills & Employment Partnership in November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.
94. To be included in the new CESP action plan: Recognise and endorse the work of Our Future City initiative in creating and delivering a long term vision for children and young people’s skills and employment.	<b>Rachel Carter; Brighton &amp; Hove Connected</b>	The <b>CESP Skills Action Group</b> , Chaired by Sarah Williams (Sussex Learning Network), will take forward this recommendation. The first meeting of the newly forward group is September 2016 and will initially report to the Learning, Skills & Employment Partnership in November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.
95. To be included in the new CESP action plan: The council should support the Brighton	<b>Cheryl Finella/Rachel Carter (BHCC); Brighton &amp;</b>	<b>Recommendations to be taken forward jointly by all the CESP Action Groups (Employers, Skills, Services and Business Support).</b> All groups meeting in September 2016 and will initially reports to the Learning, Skills & Employment Partnership in	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.

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<p>Chamber of Commerce to work with employers to create a Fair Employer Charter that recognises employers that:</p> <ul style="list-style-type: none"> <li>• Pay the Brighton &amp; Hove Living Wage</li> <li>• Publish their pay ratios</li> <li>• Promote flexible working</li> <li>• Offer quality part-time jobs</li> <li>• Use and promote the sharing of parental leave</li> <li>• Offer work trials, work experience or apprenticeships</li> <li>• Support measures to promote employment of those with protected characteristics under</li> </ul>	<p><b>Hove Connected</b></p>	<p>November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.</p>	

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<p>the Equality Act 2010: such as anonymised recruitment practices, making reasonable adjustments, promoting support available through Access to Work grants</p> <ul style="list-style-type: none"> <li>Support adults with mental health issues to access meaningful work placements and employment in partnership with the new DWP Work and Health programme providers.</li> </ul>			
<p>96. To be included in the new CESP action plan: The Council, partners and the wider business community should actively engage with and achieve the 1000</p>	<p><b>Rachel Carter;</b> <b>Brighton &amp; Hove Connected</b></p>	<p>The <b>CESP Employer Action Group</b>, Chaired by Gavin Stewart (Brighton &amp; Hove Economic Partnership), will take forward this recommendation. The first meeting of the newly forward group is September 2016 and will initially report to the Learning, Skills &amp; Employment Partnership in November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.</p>	<p>Discussed response &amp; implementation at Brighton &amp; Hove Connected Workshop 14 November 2016.</p> <p>Notes to be tabled at NCE Committee.</p>

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apprenticeships in 1000 days apprenticeship pledge campaign ensuring that the pledges convert into new apprenticeship jobs.			
97. To be included in the new CESP action plan: Employers from the key sectors in the city (financial services and contact centres, creative and digital, tourism, public sector) radically increase the number of apprenticeships that they offer.	<b>Rachel Carter; Brighton &amp; Hove Connected</b>	The <b>CESP Employer Action Group</b> , Chaired by Gavin Stewart (Brighton & Hove Economic Partnership), will take forward this recommendation. The first meeting of the newly forward group is September 2016 and will initially report to the Learning, Skills & Employment Partnership in November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.
98. To be included in the new CESP action plan: Cultural and creative industries should be recognised as a priority sector as a focus for	<b>Rachel Carter; Brighton &amp; Hove Connected</b>	The <b>CESP Employer Action Group</b> , Chaired by Gavin Stewart (Brighton & Hove Economic Partnership), will take forward this recommendation. The first meeting of the newly forward group is September 2016 and will initially report to the Learning, Skills & Employment Partnership in November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.

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developing apprenticeships, with a call to the Arts and Creative Industries Commission to sign up to the Greater Brighton Employers' pledge.			
99. To be included in the new CESP action plan: Employers and specialist providers work together to increase the number of paid Supported Internships to aid the transition between education and work for residents with Special Educational Needs or Disabilities (SEND).	<b>Rachel Carter; Brighton &amp; Hove Connected</b>	The <b>CESP Services Action Group</b> , Chaired by Simon Newell (Brighton & Hove Connected), will take forward this recommendation. The first meeting of the newly forward group is September 2016 and will initially report to the Learning, Skills & Employment Partnership in November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.
100. To be included in the new CESP action plan: Funded Education providers develop and	<b>Rachel Carter; Brighton &amp; Hove Connected</b>	The <b>CESP Skills Action Group</b> , Chaired by Sarah Williams (Sussex Learning Network), will take forward this recommendation. The first meeting of the newly forward group is September 2016 and will initially report to the Learning, Skills & Employment	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.

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deliver more English, Maths and ESOL provision to ensure there is sufficient training available to address these key barriers to employment.		Partnership in November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.	
101. To be included in the new CESP action plan: The Council, Local Enterprise Partnership (LEP), Schools and Education and Training providers should develop a city specific Brighton Ambition Careers Offer to transform the landscape of careers and employment support for young people.	<b>Rachel Carter; Brighton &amp; Hove Connected</b>	<b>Recommendations to be taken forward jointly by the CESP Action Groups (Employers and Skills).</b> Both groups meeting in September 2016 and will initially reports to the Learning, Skills & Employment Partnership in November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.
102. To be included in the new CESP action plan: Encourage all	<b>Rachel Carter; Brighton &amp; Hove</b>	The <b>CESP Skills Action Group</b> , Chaired by Sarah Williams (Sussex Learning Network), will take forward this recommendation. The first meeting of the newly forward group is September 2016 and	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.

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funded learning providers to review the provision they offer to specifically address skills shortages in the city, including pre-employment and upskilling training co-developed with local employers and the Local Enterprise Partnership.	<b>Connected</b>	will initially report to the Learning, Skills & Employment Partnership in November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.	Notes to be tabled at NCE Committee.
103. To be included in the new CESP action plan: Ensure that all funded learning providers increase the availability of computer classes, paid and volunteer trainers and support staff to enable people to access computers in communities to tackle digital exclusion.	<b>Rachel Carter; Brighton &amp; Hove Connected</b>	<b>Recommendations to be taken forward jointly by the CESP Action Groups (Skills and Services).</b> Both groups meeting in September 2016 and will initially report to the Learning, Skills & Employment Partnership in November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.



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104. To be included in the new CESP action plan: Learning providers should work more closely together to develop a broader range of accessible accredited, non-accredited and informal learning opportunities that support a wider set of outcomes than just employment, including health and well-being, volunteering and cultural awareness and tolerance.	<b>Rachel Carter; Brighton &amp; Hove Connected</b>	<b>Recommendations to be taken forward jointly by the CESP Action Groups (Skills and Services).</b> Both groups meeting in September 2016 and will initially reports to the Learning, Skills & Employment Partnership in November 2016. Time period for delivery of the objectives in the CESP is 2016-2020.	Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.
105. All public sector agencies should devolve power to communities through a Systems Leadership approach and ensure that all staff are trained and coached	<b>Brighton &amp; Hove Connected</b>		Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.

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so that they understand and commit to a new way of working.			
106. All public sector agencies should remove the barriers and reduce the bureaucracy that prevents residents and communities doing more for themselves.	<b>Brighton &amp; Hove Connected</b>		Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.
107. All public sector agencies should recognise the value for money delivered by the Third Sector and sustain the support to it including working collaboratively with the sector.	<b>Brighton &amp; Hove Connected</b>		Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.
108. All public sector agencies should be clear about how strategies are to be implemented	<b>Brighton &amp; Hove Connected</b>		Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.

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and put in place processes that will demonstrate openly progress against them.			
109. All public sector agencies should invest in early intervention to avoid crisis and prevent costly late interventions.	<b>Brighton &amp; Hove Connected</b>		Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.
110. Fairness Commission to continue to meet and have two formal reviews of progress in 6 and 12 months’ time.	<b>Fairness Commission</b>	1 <sup>st</sup> meeting planned for 24 <sup>th</sup> January 2017 – 4.30-7.30pm, Brighton Town Hall	
111. The Local Strategic Partnership, Brighton & Hove Connected, to take on the role of calling partners to report to them on the progress they are making to	<b>Brighton &amp; Hove Connected</b>		Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.

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implement the recommendations.			
112. Each organisation mentioned in the main report identifies a named, accountable lead person to help drive forward the relevant recommendations.	<b>Brighton &amp; Hove Connected</b>		Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.
113. An ‘open to all network’ is started for anyone interested in helping to implement the recommendations.	<b>Brighton &amp; Hove Connected</b>		Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.

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<p>4. The council should develop an asset transfer policy by April 2017 and be proactive in implementing it.</p>	<p><b>Emma McDermott</b> (CETS BHCC); <b>Angela Dymott</b> (Property and Design BHCC)</p>	<p>An updated and Asset Transfer Policy is currently being scoped using best practice from other local authorities. (2017)</p>	<p><b>MWG PRIORITY (Linked with 5/9)</b></p>
<p>5. All public sector procurement processes should give greater weight to social value and be explicit in how this influences decisions.</p>	<p><b>Emma McDermott</b>, (CETS BHCC); <b>Cliff Youngman</b>, (Procurement BHCC); <b>Brighton and Hove Connected</b></p>	<p>This recommendation has been fulfilled through the Social Value Framework and Guide approved at NCE committee and PR&amp;G committee, July 2016. Training opportunities to be developed for commissioners, procurement and suppliers Autumn 2016. <b>Andrew Witham and Michelle Pooley</b></p>	<p><b>MWG PRIORITY (Linked with 4/9)</b></p>
<p>9. The Neighbourhoods, Communities and Equality Committee should take responsibility for proactive delivery on the rights enshrined in legislation including the Localism Act 2011, the Equalities Act 2010, the Care Act 2014 and Human Rights.</p>	<p><b>Emma McDermott</b> (CETS BHCC), <b>Abraham Ghebre-Ghiorghis</b>, (Strategy, Governance and Law BHCC)</p>	<p>A number of actions will be taken in response to this recommendation: The terms of reference for the NCE Committee include responsibility for delivery on these areas. A number of actions will be taken in response to this recommendation: The Equalities and Inclusion Policy will be taken for approval to the NCE Committee in November 2016 with proposals for updating the Committee. As part of developing the Committee's work programme for 2017/18 these areas will be considered by the Lead Member and Executive</p>	<p><b>MWG PRIORITY (Linked with 4/5)</b></p> <p>The implications of the Care Act 2014 have been comprehensively reported to the Health and Wellbeing Board and action implemented.</p>

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		Director NCH. All decision making committees in the council take into account relevant legislative provisions and legal implications are provided with every report to ensure this takes place. Pages on website with regard to Assets of Community Value (Localism Act 2011) to be made more user friendly and accessible.	
14. The council should work with City in Bloom, Community Works and the Trust for Developing Communities to support Friends of Parks groups in the city and help them to come together in a city-wide network to strengthen collaboration across groups and with the council around the future of the city's parks.	<b>Richard Bradley</b> (CityClean BHCC)	We acknowledge the valued contribution of a city-wide network of Friends Groups and other volunteers that has been created Community Works.  City Parks works proactively with a wide range of community and voluntary organisations across the City. The Council has also recently launched its "big conversation" with regard the future management and maintenance of the parks and open spaces in the City and we would encourage all interested groups to participate in this consultation.	<b>MWG – PRIORITY</b>  This recommendation will be considered along with the outcome of 'The Big Conversation' parks consultation currently in progress.
15. The council should work with businesses and the Transport Partnership to raise awareness of the impact of street clutter	<b>Mark Prior</b> (Transport BHCC); <b>Brighton and Hove Connected</b>	The Highway Enforcement team licence and enforce regulations on A-boards, tables & chairs, skips, scaffolds, builders' materials, overgrown hedges and hoardings. The policy for such placements was reviewed by Members in 2016, and was originally	<b>MWG PRIORITY (Linked to 61)</b>  Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.

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on disabled people, older people and mothers with young children and ensure regulations are enforced.		informed by the Street Access Scrutiny of 2010. A new IT system is being commissioned which will enable more efficient licensing and enforcement of skips, scaffolds and builders' materials. The team works with businesses and other council sections to educate, inform and enforce. We undertake to review our current policies and practices, monitor impact of street clutter and use appropriate enforcement action, raise awareness with businesses.	Notes to be tabled at NCE Committee.
27. Housing associations and private housing developers should look at total housing costs, including energy efficiency, in planning new homes to reduce energy bills and contribute to greater affordability and the health and wellbeing of residents.	<b>Martin Reid &amp; Sam Smith</b> (New Homes BHCC); <b>Brighton &amp; Hove Connected</b>	Planning requirement for high level of energy efficiency City Plan SA6 Sustainable Buildings.  In response to this recommendation: BHCC is working in partnership with Southern Water on a project to support local residents to reduce their water use and water bills. The project will be running from 2016-20 and aims to work with 5,700 high water use households and 1,000 households who are struggling to pay their water bills across the city. The project includes home visits to offer advice and installation of small measures to increase water efficiency in the home. Southern water will also be offering advice to households struggling to pay their bills including debt advice and about different tariff options and other financial assistance schemes.	<b>MWG PRIORITY</b>  In response to this recommendation we will review further application of consideration of lifetime costs of tenancies where this is within the Council's control.

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		<p>BHCC is working with the Your Energy Sussex partnership to procure an energy supply partner to offer a competitive tariff and high quality service to residents and businesses across Sussex. Over 70% of domestic customers who have never or rarely switched supplier could save up to £300 per year by switching onto a more competitive deal.</p> <p>The Sussex Tariff aims to offer Sussex householders and businesses the opportunity to purchase their energy from a trusted source that will:</p> <ul style="list-style-type: none"> <li>• Offer residents and businesses access to lower cost energy</li> <li>• Provide excellent customer service</li> <li>• Ensure customers have easy to understand, more transparent energy bills</li> <li>• Develop Smarter metering and billing technology</li> <li>• Stimulate and support local energy generation</li> </ul> <p>BHCC and the wider YES partnership can expect the tariff scheme to:</p> <ul style="list-style-type: none"> <li>• Reduce the number of householders in or at risk of fuel poverty</li> <li>• Support the local economy</li> <li>• Meet local carbon reduction and renewable</li> </ul>	



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		<p>energy targets</p> <ul style="list-style-type: none"> <li>• Increase investment in local generation</li> <li>• Influence the types of tariffs on offer to maximise the benefit for residents in the city</li> </ul> <p>The council's New Homes for Neighbourhoods new build programme is building homes that are efficient to heat and run due to high sustainability standards, meet Lifetime Homes Standards and include wheelchair accessible units.</p>	
<p>28. As part of a wider drive to tackle homelessness in the city, all partners should create low-cost and "meanwhile" housing swiftly for homeless people on dormant development sites, like Preston Barracks, using converted sea containers that can be moved to other sites when development starts.</p>	<p><b>Martin Reid</b> (Housing BHCC); <b>Brighton &amp; Hove Connected</b></p>	<p>This recommendation supports the review of affordable housing delivery (joint venture) in progress, looking at range of temporary and permanent housing solutions. <a href="#">HERE</a>.</p> <p>Estate Regeneration Board and Housing &amp; new Homes Committee have also considered options for delivery of homes utilising modern method of construction with pilot schemes in progress / under review.</p>	<p><b>MWG PRIORITY</b></p> <p>Aligned to existing Housing Strategy priorities.</p> <p>The council will achieve learning and experience from the New Homes for Neighbourhoods modular and system build pilot seeking delivery of permanent affordable housing.</p> <p>Update on progress - April 2017 (<b>Tracy John</b>)</p>
<p>31. All partners should strengthen work on rent deposit guarantee</p>	<p><b>Martin Reid &amp; Sylvia Peckham</b> (Housing BHCC);</p>	<p>Current scheme focussed on those most likely to be statutory homeless.</p>	<p><b>MWG PRIORITY</b></p> <p>The Rent Smart partnership will be launched November 2016. It</p>

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schemes that help people on lower incomes into private rented accommodation.	<b>Brighton &amp; Hove Connected</b>	The council is currently exploring an option for a pilot scheme whereby tenants in supported accommodation could access the private sector with funding provided by Discretionary Housing Payments and/or Credit Union funding with an insurance provider effectively acting as a rent guarantor. This work is in development with a view to an initial trial to test whether an extended scheme would be sustainable.	is a citywide partnership of organisations committed to supporting tenants in the private rented sector.
640 44. To raise awareness of available support services to those on low income or struggling with debt, all partners should actively promote The Advice Partnership, Citizens Advice Bureau, East Sussex Credit Union and Moneyworks, signposting or referring people to these services.	<b>Graham Bourne &amp; John Francis</b> (Revenue & Benefits BHCC); <b>Michelle Pooley</b> (CETS BHCC); <b>Brighton and Hove Connected</b>	In order to achieve this the communications team and the welfare reform programme have produced a fact sheet/toolkit referencing these and other relevant organisations and services. This is designed for front line staff.  To successfully promote and embed this information throughout front line services the information will be fed down through management layers to front line teams.	<b>MWG PRIORITY</b>
45. The council's Welfare Rights team should be co-located in the new Advice Hub at Hove Town Hall to maximise value and joint working.	<b>John Francis,</b> (Welfare Reform BHCC) <b>Brighton and Hove Connected</b>		<b>MWG PRIORITY</b>  Currently the welfare rights team are central to the Revenues and Benefits service and it would not be strategically effective to move them away from the core services at this stage. The service is in the process of developing a 'welfare framework' which is

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			designed, to make best strategic use of resources in the Council, and, in conjunction with voluntary sector partners, to provide an effective and cost efficient welfare support network which meets the challenges the city is facing over coming years. The development of the framework includes a review of the welfare right functions and a rationalisation of the best use and location of support resources. If this strategic review concludes that there should be a specific council presence in the Advice Hub then this will be put into place.
49. The council, working with city schools, should bring to Brighton & Hove the 'Poverty-proofing the School Day' initiative to ensure no child misses out on the opportunities and experiences at school because of low family income. This would also help to close the gap between the attainment results of children eligible for free school meals and others.	<b>Hilary Ferries,</b> (FCL BHCC)	In response to this recommendation the council will: 1. Make contact with Poverty Proofing the School Day' (HF August 2016) 2. Discuss with school leaders and FCL colleagues to assess level of interest ( <b>Ellen Mulvihill</b> ) (September / October 2016) 3. Agree way forward with the scheme (SLT – November 2016) 4. Review progress / elements ( <b>Ellen Mulvihill</b> Summer term 2017) 5. Closing the Gap Strategy will be reviewed (Jo Lyon's SLT Autumn 2016)	<b>MWG PRIORITY</b>  <a href="http://www.povertyproofing.co.uk">www.povertyproofing.co.uk</a> / <a href="http://www.children-ne.org.uk">www.children-ne.org.uk</a> Initial contact with 'Poverty-proofing the School Day' has shown that the cost to implement the self-evaluation review scheme is £10,000 to train a group of reviewers and then have a license to review 5 schools. There would be negotiation around costs for further licenses.  <b>4 cost options have been identified for this work with priority being given to the North East model covering all schools in the city with a one off cost of £150k and a 2 year programme of work.</b>
50. The council should seek support	<b>Susie Haworth,</b> (FCL BHCC);	Discussions with BHFP and Chomp identified a gap in provision in the west of the city. The school meals	<b>MWG PRIORITY</b>

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<p>from partners to offer free school meals in school holidays, focusing on the most deprived communities first, to make sure that no child goes without at least one proper and healthy meal a day.</p>	<p><b>The Food Partnership</b></p>	<p>team facilitated a meeting with West Blatchington Primary to discuss and assess if the Chomp model could be adapted and used in a school environment (all other locations are churches/church halls). Funding is required to meet some costs (school site manager/room hire, provision of food &amp; labour to produce meals) this is currently being met from the overall school meals budget. After the summer break Susie Haworth will review the pilot offer with Amy Goodwin from Chomp and possibly BHFP. BHCC to explore if grant funding would be available to support the clubs and as part of the review discuss other delivery models.</p>	<p><b><i>The cost to roll out the scheme further is unknown and would wholly depend on the number of sites across the city. The pilot at West Blatchington averaged a cost of £2.13 per meal mainly due to the high cost of labour to the number of meals being produced as the numbers able to attend each club is limited. Pupil premium would not be a source of funding for this scheme, decisions as to how it is spent is a governing body decision and its expenditure directly linked to support the progress of pupils who qualify. There should be an awareness of budget pressures being faced by schools.</i></b></p> <p><b><i>The school meals budget will continue to support Chomp for the financial year 16/17 and hopefully through to the summer break of 2017, however, as there is a possibility of the mobilisation and demobilisation of the current school meals contract this would need to be discussed further. Other sources of funding maybe from grant sources, however, these may be more challenging to access as Eden (Interserve) are a private company. I am not aware what other budgets could be used other than through external support such as grants and gifts which may be small and not guaranteed. As part of the tender we will be considering support of such a scheme under social value criteria.</i></b></p> <p><b><i>It is important to highlight the challenges we may face just using the school meals/school infrastructure to deliver free</i></b></p>

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			<i>meals during holiday periods. I believe that the service has a part to play in helping to reduce food poverty across the city, however, the financial responsibility for such a programme should not sit with schools/school meals service. Alternative delivery models to that employed at West Blatchington must be considered.</i>
54. The council's city wide Corporate Parenting Board should find new ways to genuinely include children and young people; especially those in or recently leaving care.	<b>Gerry Brandon</b> (FCL BHCC)	In response to this recommendation work is underway to write a new Corporate Parenting strategy with engagement activities with children & young people as part of this process including a 3 day activity programme with young people's views and input being actively sought throughout.  The website is in the final stages of implementation  The Children in Care Council is being re-launched with a specialist worker to ensure it meets regularly and informs children & young people and offers engagement activities. The older sub-group of the Council, the Young People's Panel is also being re-vitalised. Care leavers attend the Corporate Parenting Board, they are involved in member training and arrangements are being developed for members to visit care leavers at their Young People's Panel meetings.	<b>MWG PRIORITY</b>

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		All care leavers between 18-21 years are offered the opportunity of a 'Moving on from Care' interview to reflect upon their care experience and a range of surveys and questionnaires on specific areas of service delivery are used to gain as many views as possible.	
61. The council and its partners should adopt the Crawley model. A Town Access Group to take action on accessibility issues out and about in the city, including checking planning applications and commenting on access issues.	<b>Brighton &amp; Hove Connected</b>		<b>MWG PRIORITY (Linked to Rec 15)</b>  Planning would need to consult a Town Access Group on all relevant public realm planning applications. – Liz Hobden ( <b>BHCC Planning</b> )  Discussed response & implementation at Brighton & Hove Connected Workshop 14 November 2016.  Notes to be tabled at NCE Committee.
73. To improve access and rights for Deaf people who use British Sign Language, the council should sign up to the British Deaf Association's Charter for British Sign Language and implement the five pledges set out within it.	<b>Emma McDermott</b> (CETS BHCC)	Assessment of current activity against the five pledges of the charter will be carried out in response to this recommendation. Followed by an action plan to improve activity as required and appropriate within available resources. <b>Sarah Tighe Ford</b> . To start early 2017 following completion of EFLG assessment and equality and inclusion policy refresh with report scheduled for NCE committee April 2017.	<b>MWG PRIORITY</b>

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<p>645</p> <p>a)Ensure access for Deaf people to information and services and for health care services this should follow the principles of the Accessible Information Standard                      b)Promote learning and high quality teaching of British Sign Language                      c)Support Deaf children and families                      d)Ensure staff working with Deaf people can communicate effectively in British Sign Language                      e)Consult with our local Deaf community on a regular basis.</p>			





<b>Subject:</b>	<b>Poverty Proofing the School Day in Brighton &amp; Hove - summary report and possible options</b>		
<b>Date:</b>	<b>3 November 2016</b>	<b>Version:</b>	<b>03</b>
<b>Report of:</b>	<b>Education and Skills Team Children, Families and Learning</b>		
<b>Contact Officer:</b>	<b>Name: Hilary Ferries</b>	<b>Title:</b>	<b>Senior Adviser: Education Partnerships</b>
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### **Purpose of the report**

This report outlines some possible options to address the Fairness Commission's recommendation 49: 'The council, working with city schools, should bring to Brighton & Hove the 'Poverty-proofing the School Day' initiative to ensure no child misses out on the opportunities and experiences at school because of low family income.'

### **Introduction**

The Child Poverty Action Group outlines the impact of poverty on outcomes for children and young people and in particular for education.

- 'Children from poorer backgrounds lag at all stages of education.
- By the age of three, poorer children are estimated to be, on average, nine months behind children from more wealthy backgrounds.
- According to Department for Education statistics, by the end of primary school, pupils receiving free school meals are estimated to be almost three terms behind their more affluent peers.
- By 14, this gap grows to over five terms.
- By 16, children receiving free school meals achieve 1.7 grades lower at GCSE.'

It is the case in Brighton & Hove that there is a gap between the outcomes for pupils in disadvantage and their peers and all schools have 'diminishing this difference' as a key priority. The Brighton & Hove Fairness Commission considered these issues and one of the main recommendations of the Commission is to introduce 'Poverty Proofing the School Day' into the City. This paper outlines the strategy and proposes some options for taking it forward.

### **Poverty Proofing the School Day**

This project started in 2011 when Children North East sought to better understand what child poverty looks and feels like from a child and young person's perspective. With funding from the Webb Memorial Trust they distributed 1,348 disposable cameras across the North East and asked children and young people to tell them what poverty looked like where they live.

11,000 images were returned which powerfully conveyed strong themes and confirmed that child poverty is definitely not a thing of the past.

The feedback they gave showed that discrimination in schools was one of the biggest issues they faced. Children North East in partnership with the North East Child Poverty Commission with funding from VONNE's Policy and Representation Partnership, started to develop a way to 'Poverty Proof the School Day'. They developed a toolkit that has as its main aims to reduce the stigma and discrimination children and young people experiencing poverty face in schools; as well as to remove barriers to learning to support schools to reduce their attainment gap. The Toolkit can also be helpful to schools in helping to decide and plan the most effective way to spend their pupil premium allocation.

The process involves talking with all children and young people in the school, an online survey for governors, parents and staff and then the team work with the school leadership to develop an action plan, individually tailored to each school, to identify and remove barriers to learning, reducing the stigma and discrimination faced by pupils.

## **Impact**

The evaluation of the report, carried out by researchers at Newcastle University in February 2016, available on line at [www.povertyproofing.co.uk](http://www.povertyproofing.co.uk) identified the following impact.

Key Findings of the evaluation of '*Poverty Proofing the School Day*':

1. There is evidence of and real concern in schools about the rising costs of the school day.
2. This is a high impact programme, which has revealed a huge array of generic issues that are routinely, if unintentionally, stigmatising children living in poverty and contributing to the increasing cost of the school day.
3. The audit is challenging but highly effective, delivering to the school a rare opportunity to give voice to its most disadvantaged pupils and their families and see their practices through the eyes of all pupils, parents and staff.
4. There are numerous benefits for the school as a result of going through this process, including a shift in whole school ethos and culture and the opportunity to make changes in response to the action plan, with maximum impact on pupils.
5. There is early evidence of increased attendance and attainment of disadvantaged pupils as a result of removing barriers to learning.
6. The audit provides a constructive opportunity to review pupil premium spending and through this and other actions, reduce the cost of the school day for pupils in real terms.
7. These impacts are dependent on the third party nature of the audit. Whilst it is very important to share good practice in this area, it is unlikely that the same benefits will be derived if a school reviews these issues in isolation through a self-evaluation process.
8. Whole school buy in, including senior leadership and Academy Trust or LA as appropriate, is crucial.
9. The fee is good value for money given the array of benefits the school derives from this programme, the whole school learning and shift in school culture which result, and the likely long-term impacts.

## **Possible options for Brighton & Hove**

Brighton & Hove school leadership teams are mindful of the costs that families face in the school day and there are examples of good practice in addressing this across the city. The Poverty Proofing process brings with it a strategic approach that could raise awareness and

improve practice for all. It could be implemented in several ways, outlined below and there are advantages and disadvantages of each option. The original project in the North East received funding from a range of sources and the working party may wish to explore options for such funding. **Option one**, to poverty proof all schools over two years is the most costly and has greatest financial implications, but does mean that every school will be offered the opportunity to take part in the self-evaluation exercise. Some might question whether it is appropriate to spend this sum of money on exploring poverty.

The costs in each option do not include the costs for any follow up work that schools would do having carried out the survey.

**Option two** suggests that the Poverty proofing survey / audit is carried out in a smaller number of schools under the licence agreement which is less costly and the outcomes could be distributed to all schools to consider their own actions going forward. This may mean schools are less engaged with the process and lessens the ownership of the data, but does give it specific Brighton & Hove results.

This is also the case for **option three**, which suggests carrying out the audit in a few, representative, schools and then disseminating the information to all school leaders.

**Option four** involves the distribution of research findings such as 'The Cost of the School Day Report' to schools. The Cost of the School Day Report presents learning and recommendations from children and staff, along with resources to support poverty proofing work in other schools and local authorities. It includes:

- Key financial barriers affecting participation and experiences at school for children from low income households
- Existing good practice measures which children say help to reduce costs, ensure equal access to opportunities and reduce poverty related stigma, along with their ideas about what more could be done
- Recommendations for local authorities, schools and other stakeholders
- Resources to support poverty proofing, including reflective questions and sample sessions for children
- Examples of simple changes made by schools participating in Cost of the School Day, including removing the need for more expensive badged uniform, improving communications with parents about financial support and starting homework clubs.

School communities would then be able to read the report and decide the action that would be most appropriate for their communities. We would include a follow up visit to each school to be able to report back to the Fairness Commission.

### **Potential costs of the four options**

**Option 1** 'Poverty Proof' all schools - £150,000 (over 2 years, £99,000 in year one and £51,000 in year 2)

A lead officer / temporary project manager on the project

To train a team to work in schools and a licence for five schools - cost £10,000

The licence to carry out the poverty proofing - £14,000 a year

If we were to offer this process to all schools at no cost to them and work on the premise of one school a week it would cost in the region of £150,000

This would be made up of:

- £10,000 training
- 2 years of licence 38,000
- Backfill for lead role for two years (0.5 time allocated) 70,000
- Additional staff members (assuming large team and not all charged to this) £40,000

### **Time commitment for the poverty proofing**

Each school would have a team of two people to carry out the audit to avoid concerns raised in several schools in the original survey about leading questions or other bias.

Up to 250 pupil primary school and nursery schools - 2 nurseries	1 day	19 schools
251 - 400 pupil primary school and special schools	2 days	20 schools
401 - 500 pupil primary school	3.5 days	9 schools
501 – 1000 pupil primary school	5 days	10 schools
Secondary school – group less than 1000 pupils	5 days	4 schools
Secondary school – group more than 1000 pupils	6 days	6 schools
Total number of days: 21+40+31.5+50+20+36= 198.5 days		

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### **Option 2 –Poverty proof 30 schools - approximate cost £100,000**

Poverty proofing carried out in 30 schools over one year and then the findings made public to schools.

Cost: £35,000 release of officer

Team: £20,000

Training and licence: £24,000

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### **Option 3 – poverty proof six schools - cost approx. £30,000**

Poverty proofing carried out in 6 schools (training school plus 5).

1 x 250 pupil primary school	1 day
1x 251 - 400 pupil primary school and special schools	2 days
1x 401 - 500 pupil primary school	3.5 days
1 x 501 – 1000 pupil primary school	5 days
1x Secondary school – group less than 1000 pupils	5 days
1x Secondary school – group more than 1000 pupils	6 days

### **Costs**

10,000 for training

20,000 for officer time and dissemination

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**Option 4 - Circulate relevant research and carry out half day follow up visit to each school - cost approximately £15,000**

Circulate the report The 'Cost of the School Day Report' to all schools and collect evidence as to the actions schools are taking

### **Costs**

A half day visit for each school and costs of collating and reporting back

### **Consultation**

The impact and evaluation of Poverty Proofing the School Day shows that it can make a real difference to the experience that young people have at school and it links well to the priority that the vast majority of the city's schools have to raise achievement of the most vulnerable. However, it is only effective if school leaders and school communities engage positively with it and have ownership. We aim to consult school leaders (headteachers and governors) to assess the level of commitment to the project.

We plan to:

- Write to all heads and chairs of governors in the city explaining the project and asking for an expression of interest
- Speak at a range of headteacher and governor meetings in January and early February to enable questions to be asked and discussions be had.
- Report back on the level of commitment.

### **Conclusion**

There are different ways that this recommendation can be implemented. Whilst in **option 1** this could be offered to all schools, the council could not insist that all schools take part. There is evidence that schools are already addressing some of the issues and concerns that the audits carried out so far have identified and so a sharing of best practice and awareness raising may make a lot of difference for less cost in time and resources. We will be able to better understand the best way forward through the consultation outlined above.

The Education and Skills team will work to implement the outcome the Committee decide.



<b>Subject:</b>	<b>Local Health &amp; Social Care Integration</b>		
<b>Date of Meeting:</b>	<b>8 December 2016</b>		
<b>Report of:</b>	<b>Chief Executive</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Geoff Raw</b>	<b>Tel: 291132</b>
	<b>Email:</b>	<b>geoff.raw@brighton-hove.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 This report sets out a recommended approach to guide council officers in working towards integrated health and adult social care including joint financial planning and integrated service commissioning with the city's health partners.

**2. RECOMMENDATIONS:**

That the committee:

- 2.1 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;
- 2.2 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;
- 2.3 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;
- 2.4 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

**3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 The council's public health and adult social care strategies are currently set out in the:

- Brighton & Hove Joint Health & Wellbeing Strategy (JHWS) 2015 where the identified priorities are: Reducing Inequalities across Brighton and Hove; Safe, Healthy, Happy Children, Young People & Families; Give Every Person the Chance of Living & Ageing Well; Develop Healthy and Sustainable Communities and Neighbourhoods; and, Providing Better Care through Integrated Services. These reflect the findings of the Joint Strategic Needs Assessment and draw on the findings of the annual Public Health report (2014/15). The strategy and its priorities are delivered through a range of partnerships, commissioning arrangements and funding commitments.
- Adult Social Care Services: The Direction of Travel 2016-20 (last updated October 2015) This was presented to the HWB (25.10.15) and referenced the four year service planning being undertaken by the directorate along with the work of the Better Care programme, an element of which is to improve the service co-ordination and integration of the health and social care sector. The Direction of Travel report highlighted the need to resolve pressures on the Community Care system. It was proposed that this would include developing service commissioning in a more co-ordinated way across the council and with the CCG.

3.2 Whilst these policy and commissioning strategies aim to capture the most obvious aspects of the council's health and social care contribution to the city, our health and social care role and reach is important in other respects from providing affordable housing to supporting universal education provision.

3.3 These supportive, safeguarding and caring services are important in promoting better health and improving quality of life for our 280,000 residents. They also act as preventative services helping to stem demand for more expensive health care interventions.

#### **The need for systemic change**

3.4 Health and social care for residents of the city is provided through an extensive, diverse and often complex set of providers, funding arrangements and patient referral protocols. These enable everything from high-tech surgical and drug treatments to palliative therapies and basic personal care to be delivered. When viewed as an overall system, it is evident that there are extensive inter-dependencies enabling specialist clinicians, general practitioners, therapists and carers to provide treatment and support to the city's residents.

3.5 It is also evident that the current health system is under extreme pressure. Whilst there are particular features and histories to current issues in the city, these are not isolated to our city alone. Indeed many are common global public policy challenges. However, there is also a serious risk that similar patterns of systemic failure will emerge in our local social care services, where the council is the local accountable body and in the health service where the CCG is the local accountable body.

3.6 Health and social care has always been a challenging area of public service provision and many of the underlying factors causing the current challenges in the system are well known. They present difficult public policy and resourcing choices and include:



- A rising cohort of older people more of whom are living longer than previous generations with health and social care needs that place growing demands on financially constrained services;
- Advances in medical science and health technologies which mean that more illnesses and diseases can be treated but with the consequence of growing resource requirements including staffing, specialist expertise and treatment cost;
- Effectively channelling patients and clients to the most appropriate form of diagnosis, support and care that most efficiently deliver the best societal health outcomes;
- Determining the most appropriate allocation of resources across: ill-health and care need prevention; primary and social care management; palliative care; and, secondary care intervention that optimise health and well-being outcomes.

### **What role should the council adopt?**

3.7 Formal democratic accountability for health and social care services in the city is largely split between the:

- Secretary of State for Health, through NHS England in relation to secondary health care directly through the Boards of hospital trusts and indirectly through, the Board of the Clinical Commissioning Group. Health services are regulated by the Care Quality Commission which in turn is accountable to Parliament and the Secretary of State for Health.
- Brighton & Hove City Council for its social care, public health and supported housing services. Social care homes and public health services are subject to statutory frameworks and national service standards overseen by the Care Quality Commission, the Office for Standards in Education, Children's Services and Skills (OFSTED) and Public Health England (PHE). PHE is an executive agency of the Department of Health.

3.8 As the local democratic body, the council is entitled to take a view on the future of health and social care services for the city and also to seek to influence change beyond our current statutory service remit. The HWB already provides a collaborative partnership between health and social care policy and service commissioning leads and has opened up service strategies and spending priorities to greater public scrutiny, including that afforded by the HOSC.

3.9 There are strong financial and service reasons for the council to explore health and social care integration. Most notably this includes the challenges of a shrinking council budget against rising social care demand pressures. Health and social care integration has been a working assumption of council senior officers and CCG officials and is an area of consideration in the government's emerging Sustainability and Transformation Plans (STP). Prior to the introduction of the STP process, it had also been identified as a future topic of devolution discussion with national government reflecting the forward plan set out in the JHWS.

### **What strategic policy objectives should the council adopt?**

- 3.10 To guide senior officers in their service and financial planning work with health sector colleagues, there are some useful objectives for Members to endorse:
1. There should remain local political oversight of strategic budget management and investment in service change;
  2. Future governance arrangements should seek to ensure that all key and relevant health and social care budget holding bodies should collectively agree budget and resource allocations;
  3. Funding for transition and change programme arrangements should be sought from NHS England through the outcome of the STP process, devolution or other such arrangements;
  4. Emerging 'Regional Accountable Body' arrangements should be subject to a process of negotiation and due diligence to ensure that local accountable and decision-making bodies are equipped with the necessary resource capacity and legal powers to provide effective place based leadership;
  5. 'Better Care' and other relevant 'modernisation' and 'transformation' programmes are combined to form an integrated, streamlined and more effective and visible service transformation and culture change programme. This will be tasked with providing a detailed and compelling 'system' model for place based integrated health and social care service provision and allocation;
  6. Section 75 and other historic agreements by which local authorities and CCGs may pool resources and delegate certain NHS and local authority health-related functions to the other partners should include a review of all partner and provider service funding and risk arrangements;
  7. A transition timetable will be agreed anticipated to be 18-36 months and subject to agreement at local and national levels.
  8. The work will duly report to the Chief Executive of the council and the Chief Accountable Officer of the CCG.

## **4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 4.1 The council could hold back from further health and social care integration planning and engagement but this is likely to have significant adverse budget, service and relationship management implications for the council with local, regional and national health agencies. The council is also likely to come under further pressure from resident, patient and other lobbying groups concerned with potential changes to secondary, primary and public health care. Without an agreed policy position the council may find itself facing an imposed model. A policy vacuum will also have an impact on the ability of officers to engage in meaningful service and financial planning with CCG and other health partner colleagues.

## **5. COMMUNITY ENGAGEMENT & CONSULTATION**

- 5.1 This paper has been shared with the CCG. Further detailed proposals to positively engage with wider partners and local communities will be put forward to the HWB as this particular programme of work develops. Currently the CCG,

with council officer support, are engaging partners, stakeholders and community representatives in sharing the early thinking and emerging proposals with respect to local health and care integration (see Appendix 2). This may be further informed by government announcements concerning STPs.

## **6. CONCLUSION**

- 6.1 To date, the HWB has been setting the future direction of travel for health and care integration. Key partners, including the council, now need to move into a more detailed service planning and resourcing phase, clearly defining priorities, efficiencies and service improvements. The advent of the STP and its implications for health care in the city has accelerated the need to integrate further and to enable local public scrutiny of proposed and emerging solutions.

## **7. FINANCIAL & OTHER IMPLICATIONS:**

### **Financial Implications:**

- 7.1 There are potentially wide ranging financial implications to both, Brighton & Hove City Council and Brighton & Hove CCG as well as health and social care providers across the city as a result of integration of health and social care services.

There is provision for local authorities and health organisations to integrate through section 75 of the national health service act 2006 this gives powers to local authorities and NHS bodies to enter into 'prescribed arrangements' whereby each may take on and provide the functions of the other subject to a Section 75 Partnership Agreement being in place between the parties. It is an enabling piece of legislation which is designed to promote and facilitate greater partnership working across health and social care services. Under an S75 Partnership Agreement different types of partnership are possible, including Pooled budgets, Lead commissioning and Integrated provision.

Brighton & Hove City council's 2016/17 net budget for the provision of Adult Social Care is £78.933m. In addition there is a public health ring fenced grant of £21.140m.

There are a number of issues that will need to be resolved, such as:

- Financial governance of any pooled funding and partner bodies
- Financial risk sharing agreements, including treatment of budget overspends and potential use of any surpluses.
- Scope of services and budget contributions
- Treatment of VAT
- Potential change of taxable person
- Contracting & Procurement arrangements

Lead Finance Officer: David Ellis Date: 29 November 2016

**Legal Implications:**

- 7.2 The proposals in this report will assist the Council in shaping the arrangements for the delivery of adult social care and health services in the City. They are consistent with the Council's legal powers and duties as a social services and public health authority as well as the general power of competence.
- 7.3 The current governance arrangements, through the Health & Wellbeing Board, have helped in moving more towards a system leadership, However, they are inadequate to deal with and reflect the full range of challenges and opportunities presented through the Sustainable Transformation Plan and the increasing service and financial pressures. The proposals in the report will assist the Council in developing appropriate governance arrangements and maintaining democratic oversight.

Lawyer Consulted: Abraham Ghebre-Ghiorghis Date: 17 November 2016

**Equalities Implications:**

- 7.4 Specific changes to health and social care service commissioning and provision will need to be considered at relevant stages through a programme of change and community engagement including undertaking Equality Impact Assessments.

**Sustainability Implications:**

- 7.5 A whole systems approach to change is more likely to enable financial sustainability across service providers. Enabling clients, communities and neighbourhoods to be involved in better managing their health and social care is a preferred strategy for creating a more economically sustainable and socially accepted local health and social care system.

## SUPPORTING DOCUMENTATION

### Appendices:

None

### Documents in Members' Rooms

None

### Background Documents

- Health & Wellbeing Strategy, 2015 [http://present.brighton-hove.gov.uk/Published/C00000826/M00005746/AI00049010/\\$20151204150751\\_008319\\_0034662\\_AppendixoneJHWS.docA.ps.pdf](http://present.brighton-hove.gov.uk/Published/C00000826/M00005746/AI00049010/$20151204150751_008319_0034662_AppendixoneJHWS.docA.ps.pdf)
- Adult Social Care Services: 'The Direction of Travel 2016-20', HWB Report 20 October 2015.
- Brighton & Hove Caring Together – A plan for delivering sustainable health and social care services by 2020, Community Engagement Presentation Oct 2016.



<b>Subject:</b>	<b>TUPE Transfers and Trade Union Recognition and Involvement</b>		
<b>Date of Meeting:</b>	<b>8 December 2016</b>		
<b>Report of:</b>	<b>Executive Director for Finance and Resources</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Alison McManamon</b>	<b>Tel: 29-0511</b>
	<b>Email:</b>	<b>Alison.mcmanamon@brighton-hove.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 This report follows recent discussions between Brighton & Hove City Council (the 'council') and the Trade Unions (GMB and UNISON) about the TUPE transfer of staff to other organisations.
- 1.2 As the Council makes changes to services to meet the current financial demands it is likely that there will continue to be transfers of council staff into other organisations through TUPE arrangements. As a result of this, the Trade Unions requested that consideration be given by the Council to the following:
- Requiring Trade Union recognition in contracted or commissioned services where council staff will be TUPE transferred;
  - Involving the Trade Unions more in the tender process when evaluating contracts that will result in the TUPE transfer of council staff.
- 1.3 A report on this matter was considered by the Procurement Advisory Board on 13<sup>th</sup> September 2016 and comments from this meeting have been incorporated and addressed in this report.

**2. RECOMMENDATIONS:**

That the Committee approve the following:

- 2.1 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).
- 2.2 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'.*

- 2.3 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.

### **3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 The Council currently recognises Trade Unions for collective bargaining purposes. This is a voluntary agreement and Trade Union recognition is not incorporated into individual contracts.
- 3.2 The Council are supportive of the contribution that Trade Union recognition makes to effective employee relations and would like to encourage the continuation of Trade Union recognition following tender processes that involve the TUPE transfer of staff.
- 3.3 Under the TUPE regulations, Trade Union recognition automatically transfers under Regulation 6(2)(a) TUPE if the group of staff transferring retain their distinct identity from the remainder of the new contractor's undertaking after transfer. Where the group of staff transferring will not retain their distinct identity, the previous Trade Union recognition lapses, and it will then be up to the new contractor to voluntarily recognise the Trade Union. The Council acknowledges that where recognition transfers following the transfer recognition may be varied or rescinded according to the relevant Trade Union legislation and therefore the TUPE Regulations do not provide on-going assurance of Trade Union recognition by new contractors.
- 3.4 Tenderers have a duty to consult along with the Council where they envisage taking measures in respect of affected employees. A 'measure' has been interpreted quite widely in case law and covers any 'action, step or arrangement' taken in connection with the transfer. Any proposal by a potential transferee to derecognise council recognised unions post-transfer where the automatic principle applies, and/or to not voluntarily recognise Trade Unions are both likely to be considered measures and accordingly consultation must be undertaken to comply with TUPE Regulations in respect of either.
- 3.5 It is not possible to impose a blanket requirement as to automatic recognition of Trade Unions for commissioned and contracted services where there is an outsourcing of staff. There are restrictions imposed in legislation, which limit the discretion of the Council. The legal position is summarised in Appendix 1. .



- 3.6 Whilst there are these restrictions, the Council could consider in certain circumstances using a criteria question in the evaluation process related to Trade Union recognition and this approach is recommended by this report (see 2.2). The inclusion of this question would need to be appropriate and proportionate both from a legal point of view and with regard to the financial implications in terms of restricting the market place.
- 3.7 In deciding whether it would be appropriate and proportionate to use this criteria question a number of issues would need to be considered by the council to avoid the risks related to legal challenges from losing bidders:
- Establish whether there is a legally robust justification for adopting the criteria question with regard to the Public Services (Social Value) Act 2012 and the Public Contracts Regulations 2015.
  - Establish that the inclusion of the clause will not adversely impact on the market and the council's ability to achieve value for money from the procurement.
  - Only include where contracts are let by the council alone rather than in joint procurement exercises with other organisations.
  - Apply appropriate weighting to the criteria question to ensure that it is proportionate.
- 3.8 Where a new provider intends to continue with Trade Union recognition the Council will seek agreement with the provider to include a clause in the contract on a voluntary basis. Such a clause can only be included by agreement both initially and on an ongoing basis.
- 3.9 With regard to the request from the Trade Unions to be involved as stakeholders during the procurement process when a potential TUPE transfer of BHCC staff is involved it is proposed to provide a process to facilitate this.
- 3.10 It is proposed to amend the Contract Standing Orders to delegate authority to the Executive Director (Finance & Resources) to agree involvement of the Trade Unions where requested on a case by case basis. Trade Union involvement will only be considered where:
- Contracts are let by the council alone rather than in joint procurement exercises with other organisations;
  - Where there is a potential TUPE transfer of council staff to another employer.

Involvement should be requested and responded to in writing to ensure a record of decisions is kept. As the head of the Procurement, HR, and Finance functions, the Executive Director (Finance & Resources) will be in a position to effectively consider the involvement of Trade Unions, as stakeholder, from the perspective of impacts on timelines, industrial relations, processing efficiency and will be aware of potential links with other current or planned procurements.

- 3.11 If accepted the Trade Union would need to provide a named contact who would be engaged on a confidential basis in the process. This involvement would be prior to the final decision being made, and there would be no Trade Union involvement in evaluation of tenders or the final decision making panel. Once it is

agreed that the Trade Unions will be involved as stakeholders in the process bidders will be informed in the ITT of what information is going to be shared with the Trade Unions and what their involvement in the process will be (i.e. as stakeholders but not scoring / decision makers).

#### **4. CONSULTATION**

- 4.1 Unison and GMB were sent a briefing paper on 29<sup>th</sup> July 2016 to request comments with regard to the proposals from the council regarding TUPE and Trade Union recognition.
- 4.2 Both UNISON and GMB have responded with comments.
- 4.3 UNISON felt the wording in the original recommendation was not robust enough and it was not clear who would be responsible for deciding if the evaluation clause in relation to Trade Union recognition could be included. As a result it has been agreed that it will be the decision of the relevant Procurement Advisor as to whether to include the evaluation criteria question following advice from the Legal Services. With regard to the wording of the recommendation in 2.2 it is considered that this is the limit to which the Council is reasonably able to encourage Trade Union recognition in line with the legal advice. However a further recommendation has been added (see 2.1) to ensure that any proposed changes to Trade Union recognition are consulted on as measures during the TUPE process.
- 4.4 GMB raised Barnet Council as an example of an organisation that goes further and requires contractors to maintain union recognition for 12 months after the start date of the contract. Having considered the Barnet Council policy, it does not actually extend recognition to council recognised Trade Unions over and above that already provided for under the TUPE Regulations. In addition, whilst it refers to those unions being consulted regarding changes to the employees' terms and conditions no earlier than a year after transfer, the informal requirement to acknowledge Council recognised Trade Unions ends on the first anniversary. Given that the wording requires only consultation and negotiation 'with its [Barnet's] recognised trade unions', it may not include this Council's recognised Trade Unions. Given these limitations, the Council does not consider the Barnet Council policy provides a satisfactory alternative to the Trade Union protections already afforded by the TUPE Regulations, and the additional provisions recommended by this report.
- 4.5 The recommendations of this report were considered by the Procurement Advisory Board on 13<sup>th</sup> September 2016. The main issues raised have been incorporated into the approach recommended by this report. Specifically there was concern that the Procurement Strategy Manager would be placed into a position of making a political rather than a professional decision with regard to Trade Union involvement in the procurement process. This has been addressed by setting out clear guidance (see 3.9 above) and a recommendation that the CSO's are amended to place the delegated authority with the Executive Director (Finance & Resources).

- 4.6 There was also concern that small providers would be put off from submitting tenders if they had not previously had union recognition arrangements. The criteria question suggested addresses this concern as includes the potential for companies to demonstrate how they effectively engage with their workforce either by recognising Trade Unions or by other approaches.

## 6. CONCLUSION

- 6.1 The recommendations of this report address the issues raised by the Trade Unions with regard to tender processes that involve the TUPE transfer of council staff.
- 6.2 The recommendations reflect the council's positive approach to working in partnership with our recognised Trade Unions and provide for an appropriate level of involvement in tender processes as well as ensuring that assurances are sought from contractors regarding how they plan to engage and communicate with staff.

## 7. FINANCIAL & OTHER IMPLICATIONS:

### 7.1 Financial Implications:

Any conditions placed on providers has the potential to restrict the number of interested providers. Any potential restriction could impact on the potential competitiveness of the procurement process and may therefore have financial implications.

*Finance Officer Consulted: Nigel Manvell*

*Date: 31/10/16*

### Legal Implications:

The legal implications are set out in the body of the report and in the attached appendices.

*Lawyer Consulted: Isabella Sidoli*

*Date: 14/11/16*

### 7.3 Equalities Implications:

The recommendations of this report promotes effective communication and engagement with staff and Trade Unions during TUPE transfer processes. This ensures that any equalities issues raised by transfer proposals can be considered and addressed appropriately.

### 7.1 Sustainability Implications

None

### 7.2 Any Other Significant Implications:

None

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Legal Advice

**Relevant TUPE Regulations**

**TUPE – Regulation 6 (trade union recognition)**

This regulation states that where the transferor employer (BHCC) recognised an independent trade union to any extent in respect of the employees transferred then, after the transfer, the transferee is deemed to recognise the union to the same extent provided that after the transfer the transferred organised grouping of resources or employees ‘maintains an identity distinct from the remainder of the transferee’s undertaking’. This means that all rights which are dependent on recognition will apply in the transferred undertaking.

After the transfer ‘any agreement for recognition may be varied or rescinded accordingly’ and therefore although BHCC has recognised the GMB and Unison voluntarily the transferee is free to vary the scope of recognition or derecognise the unions in the same way that BHCC could do, subject to the existence of contractual obligations consequent on recognition and any obligations relating to disclosure of information or consultation which may have already arisen.

**TUPE – Regulation 13 (Information and Consultation)**

Where a transfer has legal, economic and social implications for affected employees, the employer of those employees, whether they are the transferor or transferee, must inform all the appropriate representatives of any of the affected employees, long enough before the transfer to enable consultations to take place between the employer and those representatives.

Legal, economic and social implications are not defined within the Regulations, however, with reference to the case law: ‘legal’ covers the impact of the transfer on employment contracts, statutory rights and collective agreements; ‘economic’ may refer to any effect on employees’ remuneration, benefits and future prospects, including potential redundancies; and ‘social’ may include information about a change in working hours, shift patterns or new work location. However, the duty to consult will only arise where an employer envisages taking measures in respect of affected employees where such implications are contemplated. A ‘measure’ has been interpreted quite widely and covers any ‘action, step or arrangement’ taken in connection with the transfer. Any proposal by a potential transferee to envisage derecognition of the pre-transfer Trade Unions subject to the automatic transfer principle (Regulation 6), or to not enter into a voluntary recognition agreement with the pre-transfer Trade Unions where the automatic transfer principle does not apply, is likely to be considered a measure and accordingly consultation must be undertaken in compliance with Regulation 13.

**De-recognition**

The same process for variation or rescission ought to apply after the transfer as applied before where recognition is voluntary, where Regulation 6 applies. It is unclear as to this process as it is not contained within the Green Book, however, there ought to be an agreed mechanism for de-recognition reached between the

relevant employers and trade union bodies. If no such agreement exists, then the BHCC could determine a process which would involve consultation with the union(s) so that it is agreed but as BHCC are not seeking to de-recognise them it should be a matter to be left to the transferee. If the transferring staff do not retain their distinct identity, and Regulation 6 does not therefore apply, the pre-transfer Trade Union recognition lapses, and it will then be up to the new employer to voluntarily enter a new recognition arrangement with those Trade Unions.

### **What the trade unions can do**

Under the Trade Union and Labour Relations (Consolidation) Act 1992 ('TULCRA') in the first instance the union(s) must apply to the employer (transferee) for recognition first. If an agreement cannot be reached then the union(s) can apply for statutory recognition for the purposes of collective bargaining. If the application is successful and the Central Arbitration Committee ('CAC') grants statutory recognition then it will be harder for the employer (transferee) to de-recognise the union(s) and remedies would become available for any failure by the employer (transferee) to comply with the statutory recognition procedure.

### **Relevant procurement legislation**

Regulation 6 of the TUPE Regulations provides some protection to staff where there is a TUPE transfer to a new employer. The Regulations provide where the Council recognises trade unions in respect of some or all of the transferred employees, then the new employer will also be required to recognise those unions to the same extent after the transfer takes place. However, this automatic transfer requirement only applies if the organised grouping of transferred employees maintains an identity distinct from the remainder of the new employer's undertaking.

It is not possible to impose a blanket requirement as to automatic recognition of Trade Unions for commissioned and contracted services where there is an outsourcing of staff. There are restrictions imposed in legislation, which limit the discretion of the Council, if it wished to do so as set out below.

Section 17 of the Local Government Act 1988 requires the Council in exercising certain functions in respect of contracts for services to do so without having regard to the terms and conditions of employment by contractors of their workers.

However, this does not prevent the Council exercising any function to the extent that the Council considers it necessary or expedient to do so to enable it to comply with Section 1 of the Public Services (Social Value) Act 2012. This Act applies to contracts to which The Public Contracts Regulations 2015 will apply, so contracts below the relevant financial thresholds will not be covered (the threshold for most service contract is £164k, but for social services and other 'light touch' contracts it is £589k). For such contracts, the Council will have a discretion to do so where it considers it relevant and proportionate to do so, for the improvement of the economic, social, and environmental well-being of its area. On its own trade union recognition in respect of transferring staff may not improve the social well-being of the area, but it may do so as part of wider staff considerations as mentioned below.

The Public Contract Regulations 2015 also contain restrictions on the Council's discretion. Also, in general, social considerations must comply with the Treaty's principles of transparency, equal treatment, non discriminatory and proportionality. Under Regulation 58 (Selection Criteria), it would not be possible to use a requirement as to union recognition in the selection of potential bidders for a contract. However, under Regulation 67 (Contract Award Criteria), it would be possible to use as a criterion for the selection of a tender consideration of workforce matters where this is linked to the subject-matter of the contract. For instance, it may be considered that the terms of staff are relevant to the contract for the purpose of transition to a new employer. So, in an appropriate case, it would be possible to include as an evaluation criterion, the information supplied by a tenderer as to a question along the following lines:

'Brighton & Hove City Council is a collective bargaining organisation and recognises GMB and UNISON Trade Unions for this purpose. During the tender process we would 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 workforce to ensure best practice in terms of employment practices'.

Under Regulation 70 (conditions for performance of contracts), it is possible to include a special condition relating to the performance of a contract where this is linked to the subject matter of the contract. While it may be possible to link a requirement as to union recognition to the tasks necessary to performance of the contract, such a requirement runs the danger of breaching other EU Treaty principles. For instance, the EU Commission has confirmed that it is not possible for contracting authorities to make payment of the Living Wage as a mandatory requirement as part of a competitive procurement process. This is because Article 56 of the Treaty prohibits any restrictions on the freedom to provide services within the EU when a business established in one member state provides services to a person or organisation in another member state.





<b>Subject:</b>	<b>Draft Housing Allocations Policy</b>		
<b>Date of Meeting:</b>	16 November 2016 – Housing & New Homes Committee <b>8 December 2016 – Policy, Resources and Growth Committee</b>		
<b>Report of:</b>	<b>Executive Director, Economy, Environment &amp; Culture</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>James Crane</b>	<b>Tel: 29-3316</b>
	<b>Email:</b>	<b>James.crane@brighton.hove.gcsx.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE****1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 In September 2015 the Housing & New Homes Committee approved a review and consultation of the council's Housing Allocations scheme, with a new Allocation policy to be brought back to committee for approval. We have now completed this work as follows:
- City wide consultation was carried out from 1<sup>st</sup> December 2015 to 29<sup>th</sup> February 2016.
  - Based on all the feedback we developed the new draft Allocation Policy.
- 1.2 Over the past 5 years the Housing Register has continued to grow and now stands at over 24,000 applicants. In the last financial year just over 800 properties were let to people on the Housing Register. Figures of the growth over the last 10 years are contained in table 1 below. The number of applications remained static for the period April 2007 to April 2010. From this point on there is an increase year on year to the end of the last financial year to 23,419.
- 1.3 In table 2 the data is shown by the current allocation bands. Bands A & B show that the numbers in these bands are relatively static over the period. This would be expected as these bands have a higher priority over others on the housing register. The increase in numbers is within Bands C & D on the register. This will reflect the lower priority given.

Table 1

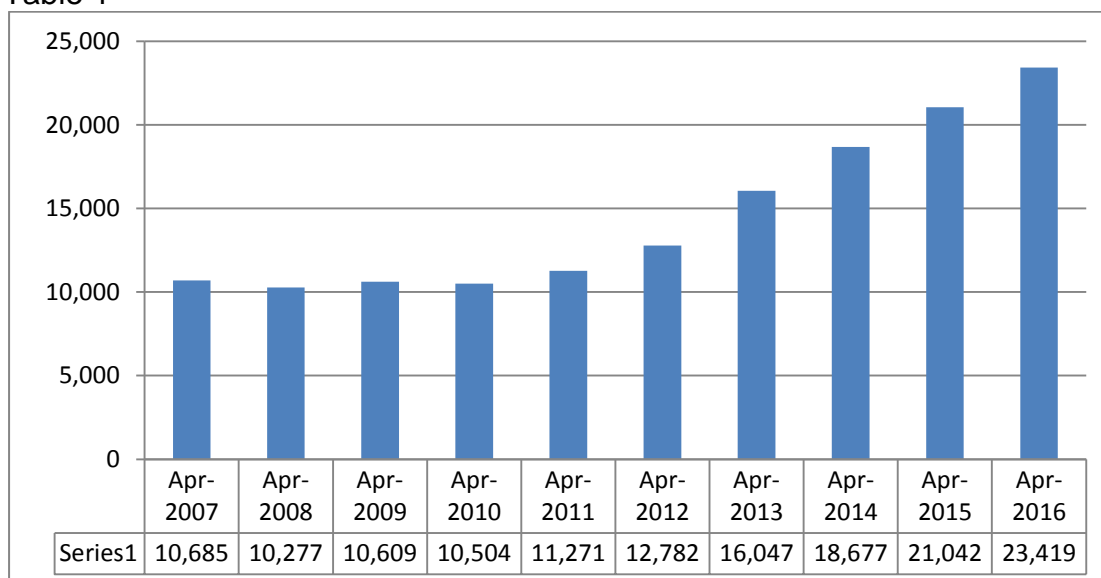
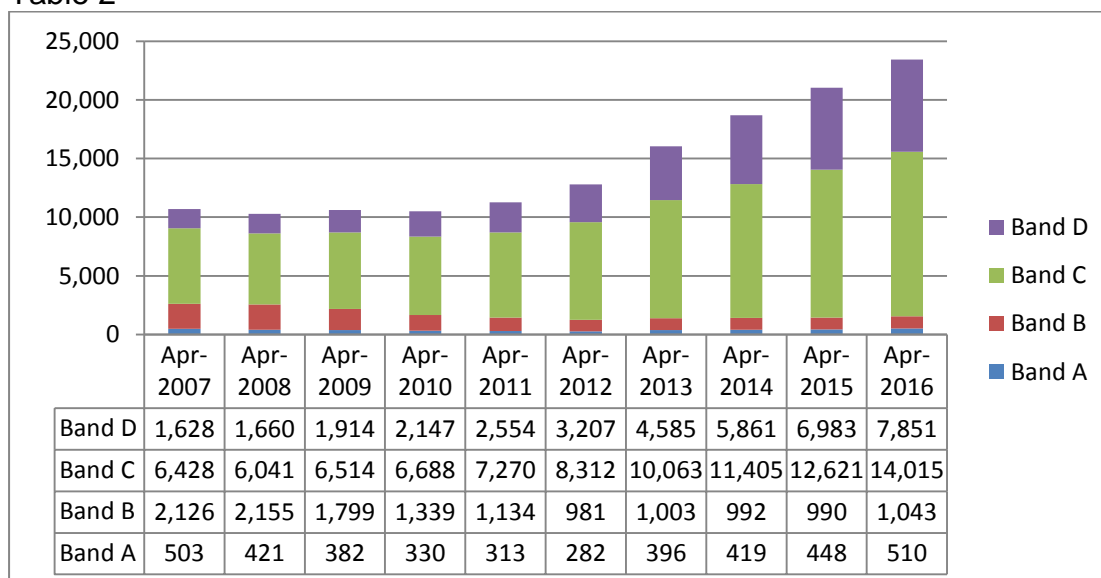


Table 2



- 1.4 This means that there are a significant number of people that the council will never be in a position to assist with social housing and therefore it is not a realistic housing option for many people in the city. In addition, as the majority of households will not obtain housing, the amount of staff needed to manage such a large Housing register is not the best use of resources.
- 1.5 The Council is obliged to have an allocations scheme to determine who it will allocate social housing to (allocations to council tenancies and nominations to its registered housing partners).
- 1.6 In framing the allocations scheme the Council has to take account of the Housing Act 1996 Part VI (as amended by the Homelessness Act 2002) and the accompanying Code of Guidance which sets out who is eligible for social housing and which groups should be given “reasonable or additional

preference” . In addition There are freedoms and flexibilities set out in the Localism Act 2011 to determine who is a qualifying person, which have been taken into account along with statutory instruments regarding housing for forces and ex-forces personnel, which grant reasonable preference to ex-forces personnel who have left military service for longer than five year and additional preference for those that have left within the last years.

- 1.7 The draft allocations scheme also takes account of new provisions of the rights of social tenants who have the right to move from another local authority area under the right to move scheme introduce in 2015.
- 1.8 The Housing Allocation Policy is to be referred to PR&G as there are significant financial implications which are set out in points 7.10 and 7.11.

## 2. **RECOMMENDATIONS:**

*That the Housing & New Homes Committee:*

- 2.1 Agrees upon the policy and agrees to refer the policy to Policy Resources & Growth Committee (PR&G) as set out below.

- 2.1.1 That the recommendations on page 125 of the agenda be amended by inserting an additional recommendation 2.1.2 as follows:

- 2.1.2 **Recommends to Policy, Resource & Growth Committee that the proposed new policy on refusing a suitable and reasonable offer of accommodation (page 194 of the agenda) be amended to read:**

*“Applicants will not qualify for social housing in Brighton & Hove and be (or remain) registered on the council’s housing register if they have refused **two** offers of suitable accommodation within the last two years made or arranged by the council and there has been no material change in their circumstances so as to make the earlier offer(s) clearly unsuitable in the light of the applicant’s changed circumstances.”*

- 2.1.3 That the Housing Allocations Plan is approved by the Housing and New Homes Committee;

- 2.1.4 That the initial Housing Allocations Plan set out on page 127 of the Committee papers be approved;

- 2.1.5 *That future* Housing Allocation Plans are approved by Housing and New Homes Committee on an annual basis, with any deviation of more than 5% of each allocation queue being reported to the committee

- 2.1.6 That this policy be reviewed at the end of the first Housing Allocations plan cycle, and that this review will consider

- i) Any revisions to the Housing Allocation Plan

- ii) The possibility of reintroducing the working and positive contribution category
- iii) Feedback from applicants involved in the system

*That the Policy, Resources & Growth Committee:*

2.2 Notes the comments of Housing & New Homes Committee and agrees the policy subject to the amendments set out in resolutions 2.1.2 to 2.1.6 of the Housing & New Homes Committee above.

2.3 That an officer report is presented to Policy, Resources and Growth Committee considering the further draft Green amendments as follows :-

- Banding continues to be dependent upon assessment by a medical officer, as before
- That any applicants who have not bid in 12 months should be written to and asked if they wish to remain on the register, with a warning that failure to respond to the notification within 31 days will lead to their removal from the register;
- That the income cap be reduced, to exclude those who are able to afford private renting of the appropriate sized property (those for whom renting consumes less than 50% of their income)
- That the savings cap be increased, to enable individuals to retain sufficient funds to cover for 8 months rent for a property in the private rented sector –covering for 6 months rent in advance plus 2 months to cover damage, moving costs and charges
- Rent arrears: That exclusion not be automatic should a person have a record of ‘failure to pay rent’, except where the person has outstanding debt liabilities to the council (excluding rent arrears) and is deemed not to be making satisfactory arrangements to repay those debts;
- That the bidding time limit be set at 6 months rather than 3;
- That the criteria for being a qualifying person include those who have lived in the area continuously for five years preceding the date they make their application, and at least 2 years immediately preceding this date (with the same exceptions provided for in the draft policy)
- That the policy explicitly state that ‘there will be provision of a cooker and a sink in their home,’ rather than referring only to ‘access to cooking facilities,’
- That whilst internet based applications are encouraged as default in the policy, that the policy will allow paper based applications, should these be requested by the applicant.
- That Housing Allocations assist genuine and informed bidding by making fuller property information available to bidders (with images of aspects of the property)
- That applicants excluded for refusing an offer be excluded for one year, not two.

## 2.4 Officer report as per 2.3 above:

### 2.4.1 Banding continues to be dependent upon assessment by a medical officer, as before

A District Medical Officer used to advise officers and when this service was ceased, a medical adviser was appointed by the council. In the current policy only the medical adviser can assess this part of a person's application. However the high number of applications that require assessment cannot be managed within existing resources. Hence the proposed change that the medical adviser advises officers, who then complete the assessment.

Resource Implications: This would require additional staffing resources of 1 FTE Medical Assessor plus a more senior officer to undertake reviews of their decisions.

Financial implications: £0.049pa

This would be an additional service pressure on the general fund of £0.010m and the HRA £0.039m.

Consulation: None

### 2.4.2 That any applicants who have not bid in 12 months should be written to and asked if they wish to remain on the register, with a warning that failure to respond to the notification within 31 days will lead to their removal from the register;

Applicants who have not bid in 12 months will be informed they must be actively bidding. They will be given one written warning giving them a further month to place a bid. If they still fail to bid the applicant will be removed from the Register. The applicant has a right to a review of this decision. If applicants who are not bidding and there is good reason (e.g. the property type they have been assessed as requiring such as an adapted property hasn't become available), they are allowed to remain on the register. This will also reduce the ability of the council to manage the numbers on the register and hence make it difficult to reduce it to a manageable size.

Resource implications: we will require a large team to continue to administer a very large register and manage expectations.

Financial Implications: We will not be able to deliver future staff savings if the Register remains high.

Consultation: None.

- 2.4.3 That the income cap be reduced, to exclude those who are able to afford private renting of the appropriate sized property (those for whom renting consumes less than 50% of their income).

Reducing the total household income cap will impact on the proposal in the Living Wage Joint Venture which proposes to use the allocation policy as a vehicle for nomination to those properties. If the cap is too low, then those on the register will not be able to afford the Living Wage properties. Reduction of the income cap as per the above amendment would result in the following change:

Current proposed household income cap amended proposal cap

Studio/ 1bed need	£30k pa	£22k pa
2 bed need	£55k pa	£30k pa
3+ bed need	£60k pa	£44k pa

Resource Implications: none

Financial Implications: none to implement but would have consequences if the policy is delayed whilst further consultation is undertaken. Finance have assessed that had we been able to implement the policy in November then in year savings would have been £143k. Delays erode the savings by approximately £28.5k per calendar month.

Consultation: yes – this will require re-consultation as the original consultation was based on the proposed figures which was supported. This will take a further 6 months in total to complete and would delay the savings that would be derived from adopting the policy.

Green Party also considered that this amendment could be considered as part of the review at the end of the Allocations Plan in March 2018. This would offer a good compromise to enable the policy to be adopted now and for the consultation to be aligned with the review for March 2018.

- 2.4.4 That the savings cap be increased, to enable individuals to retain sufficient funds to cover for 8 months rent for a property in the private rented sector –covering for 6 months rent in advance plus 2 months to cover damage, moving costs and charges

Resource implications: None

Financial implications: None to implement but as per above amendment would have implications if the policy is delayed whilst further consultation is undertaken.

Consultation: yes – as per above as amendment substantially different to that which the council consulted on. As with previous amendment, the Green Party also considered this could be looked at as part of the review at the end of March 2018.

- 2.4.5 Rent arrears: That exclusion not be automatic should a person have a record of 'failure to pay rent', except where the person has outstanding debt liabilities to the council (excluding rent arrears) and is deemed not to be making satisfactory arrangements to repay those debts

Each case is considered on its merits and so it is not an automatic or blanket approach. There will be guidance for officers which accompanies the policy.

- 2.4.6 That the bidding time limit be set at 6 months rather than 3.

When the time limit is exceeded, officers will intervene to take over bidding, having regard to the household's requirements and housing that becomes available. This is where we have identified that a household have an urgent need to move. Earlier intervention recognises the urgency of the need to assist a household to move.

Resource implications: None

Financial implications: None

Consultation: None

- 2.4.7 That the criteria for being a qualifying person include those who have lived in the area continuously for five years preceding the date they make their application, and at least 2 years immediately preceding this date (with the same exceptions provided for in the draft policy).

We understand this means that a person who has lived in the city previously for 5 years at any time in their life and then returns for 2 years, would qualify. This is a very complex criteria which would be difficult to validate.

Resources: Additional staff resources required to undertake such checks and validations

Financial implications: £0.027pa ( 1 additional staff resource) This post has not been budgeted for, so the cost will be a service pressure for the general fund (£5,000) and the HRA (£22,000).

Consultation: none

- 2.4.8 That the policy explicitly state that 'there will be provision of a cooker and a sink in their home,' rather than referring only to 'access to cooking facilities,'

The term cooking facilities aligns with legislation in Private Sector Housing under the Housing, Health and Safety Risk Regulations

- 2.4.9 That whilst internet based applications are encouraged as default in the policy, that the policy will allow paper based applications, should these be requested by the applicant

The Council is modernising the way it conducts business to reduce costs. Paper based applications are expensive. Those people who need assistance will be helped as per the digital inclusion for vulnerable groups.

Resources: printing and posting out forms and scanning them in upon return. Staff resources and costs of printing, posting.

Financial implications: Difficult to quantify but would increase cost per paper based application in line with above costs

Consultation: none.

2.4.10 That Housing Allocations assist genuine and informed bidding by making fuller property information available to bidders (with images of aspects of the property)

This requires significant investment in IT development which isn't available to us currently. This is aspirational as we don't currently have capability in our IT systems.

Resources: enhanced IT system in partnership with registered providers who advertise their social housing via Homemove. This would be a longer term proposal as any system would need to be specified, procured, contracted and then implemented which would take a minimum of 2 years.

Financial Implications: New IT system estimate £50k - £100k plus staff costs of IT procurement and implementation.

Consultation: yes with our partner Registered providers as there would be financial implications for them too.

2.4.11 That applicants excluded for refusing an offer be excluded for one year, not two.

This is covered by the amendment in 2.1.2.

### **3. CONTEXT/ BACKGROUND INFORMATION**

3.1 Councils are legally obliged, under the Housing Act 1996 Part 6, to have a policy that must be followed when they allocate social housing both within its own stock or where they nominate to a housing association. In 2011 the Government introduced further legislation that, subject to certain groups having a "reasonable preference" in any allocations policy, the council would be free to make local decisions on how best to allocate housing resources that meets the need of local people.

3.2 The Government issued a Code of Guidance to which the council must have due regard to when formulating its Allocation Policy. A Code of Guidance was issued by the Secretary of State for Communities and Local Government in June 2012. This guidance was updated in December 2013 and 2015 to give further guidance on residency and local connection.



- 3.3 The Allocation scheme must also have procedures that include details of who makes decisions under the policy.
- 3.4 Members agreed in September 2015 that there was a need to carry out a fundamental review of the current Allocations Policy. It is recognised that the current scheme at it stands is not necessarily housing our residents in the greatest housing need. It is also important to note that as demand far out weighs supply in this area that by including vast numbers of applicants onto the housing register the council are building up unrealistic expectation that the council is unlikely to be able to assist most households unless they are in very high need. The growth in the numbers of applicants leads to an increase in administration as people seek to increase their banding on the system. This in turn leads to higher levels of complaints, enquires and bureaucracy that does not lead to any higher number of households being offered housing solutions.
- 3.5 The draft Allocations Policy looks to reduce the numbers of people on the housing register and in doing so looks to exclude those with resources that can therefore resolve their own housing situation. It is also based on assisting those that the council has a statutory duty to provide accommodation such as the homeless, care leavers and other applicants with high housing needs
- 3.6 Although the council has some control over the allocation of accommodation there are a number of factors that the council has to include in order for the allocations scheme to be considered lawful, i.e. the legislation sets out who we have to give reasonable preference and additional preference to. For anyone to be allocated accommodation they will have to be considered eligible under the Act.
- 3.7 The current allocations policy was written at a time when housing in the city was in lower demand and supply was also higher. Over time the housing stock has reduced and the council as landlords; have increasing success in supporting existing tenants to sustain their tenancies and therefore the number of properties that have become available for letting have reduced.
- 3.8 This policy will be applied immediately following approval at Full Council. All new applications to join the housing register will be assessed against the new policy in addition to all allocations (or offers) of accommodation immediately after approval of the policy. Running concurrently there will be a reassessment process carried out on all current applications that is expected to take until March 2017
- 3.9 The anticipated result of this process is that the Housing Register will reduce in size from the current 24,000 applications to a more manageable register where those who are included will have a more realistic chance of being offered accommodation. Those that have very low or no housing need will not be able to join the housing register but will be offered housing options advice on alternative options that can help them resolve their housing situation
- 3.10 The housing register currently contains very high numbers of applicants that have applied to join the register and then have not gone on to make any bids for accommodation or have failed to make any bids within the past twelve months. There are also a high proportion of applicants who have not made any bids for

over five years or more. The proposed policy will remove those households unless there are extenuating circumstances

3.11 The new draft allocations policy has made a number of key changes that were consulted on widely with residents, community group, service providers and applicants. The key changes are:

- Change to local connection : increased to five years residency from the current two, with a number of exemptions required
- Exclude people with no housing need under the allocations policy
- Exclude home owners
- Introduce an income cap based on bedroom size
- Exclude people with rent arrears or other related debt to the council, with some exceptions?
- Exclude people who have disposed of a property purchased from the council under the right to buy
- Remove applicants if they have not made a bid within 12 months
- Remove applicants who refuse one offer of suitable accommodation
- Remove band C Minor Medical and Band C sharing facilities & Minor disrepair
- Introduce anti fraud checks prior to offering a tenancy
- Introduce a digital service for applications and other processes
- Introduce an allocation plan \*
- Introduce reciprocal agreements with other local authorities to allow increase social mobility.
- Removal of working positive contribution due to a recent judicial review against another local authority.

3.12 An allocation plan\* will be drawn up annually to make best use of the social housing stock so as to have regard to the council budget and seek to drive down those costs. The initial plan which will be in place from implementation until the end of 17/18 is as follows:

- |  |                    |
|--|--------------------|
| • Homeless households in temporary accommodation | 40%                |
| • Transfers                                      | 30%                |
| • General homeseekers                            | 20%                |
| • Council Interest<br>(Children's and ASC)       | 10% plus Brookmead |

There needs to be a 5% tolerance in either direction to enable officers to respond to changing demands and also a degree of flexibility is required if the right size/mix of properties do not become available.

We have initially proposed a high percentage of properties be allocated to homeless in temporary accommodation to enable us to manage the changes to the Temporary Accommodation management funding. These changes will have significant budget implications if no changes are made to reduce the number of households in temporary accommodation. In addition it will enable people to move on from temporary accommodation and become settled.

#### **4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 4.1 The draft policy has taken account of new provisions introduced such as the right to move scheme for people needing to move to undertake a permanent job and has also taken account of recent court judgements that have ruled that other local authority schemes were unlawful as they were breaching the Equality Act 2010 and section 11 Children's Act 2004.
- 4.2 Alternative options to reduce the number of applicants are limited due to the need for the council to have a lawful policy that includes those with a reasonable preference under the Housing Act. The policy does however take advantage of the flexibilities in the Localism Act 2011 to ensure that homes are allocated to those with a strong local residential connection and at the same time allow potential working arrangements with other local authorities to ensure that we maximise the potential to help people to move.
- 4.3 We have considered a range of alternative approaches to allocation such as a points based system or mixture of points and bands but these were disregarded because of the need to introduce a scheme that would be simple and transparent and easily understood. We have also explored how other comparable local authorities are allocating their social housing and compared the different approaches.

#### **5. COMMUNITY ENGAGEMENT & CONSULTATION**

- 5.1 The Allocations Policy was developed following a consultation process on the major changes. The council conducted a three month consultation from 1<sup>st</sup> December 2015 to 29<sup>th</sup> February 2016. A total of 443 responses were received using the council's on-line consultation portal. A total of 88% of respondents live in the city with 11% responding from elsewhere in the country. The consultation responses were not just from individual respondents but a number of statutory and community & voluntary groups' views were captured.
- 5.2 The consultation was widely publicised using the on-line Sussex Homemove website to inform applicants of the consultation. The Council also used its own partnership contacts to promote the consultation with stakeholders across the statutory, voluntary & community sectors. A list of organisational respondents can be found in the consultation report.
- 5.3 A consultation report has been produced. This report shows that the changes that have been proposed are supported by residents, non residents, organisations, applicants and service providers.
- 5.4 Briefing sessions have taken place across the three main political parties both at the consultation phase and the development of the draft policy. Members of the Housing and New Homes Committee have also held a briefing on the draft policy to assist them with the process.
- 5.5 The Housing & New Homes Committee deferred agreement of the draft allocations policy at its meeting on the 21<sup>st</sup> September 2016, requesting that the draft allocations policy and consultation report was circulated to the Area Panel of tenants' representatives. A special Area Panel was convened on the 20<sup>th</sup> October

2016 at Leech Court. The meeting was well attended by 21 tenant and leaseholder representatives.

- 5.6 The representatives were very interested in the new proposed policy and asked lots of questions on the proposals. There was a good understanding of the issues facing the city and the impact of the changes. Comment on the policy included “it’s long overdue” “we have been working on this for years” and “This is a great piece of work”.
- 5.7 There was one minor concern about applicants who refuse one offer being removed from the list, but everyone agreed to overcome this it will be important to educate people and it could be something tenant representatives could help with. This could include informing people not to bid on properties that they did not want to live in, encouraging applicants to visit the area before placing bids, advising people that they do not have to use all their bids each issue. It was also understood that costs associated with wasted viewing could be better used elsewhere.
- 5.8 At the end of the meeting the tenant representatives were asked to indicate their support of the draft policy and this was accepted by 100% of the representatives present who also thanked officer for their hard work.

## **6. CONCLUSION**

- 6.1 The council has a statutory obligation to have a scheme in order to allocate social housing in the city. The draft Housing Allocation Scheme has been reviewed in order to make the housing register into a manageable number of applicants who have a realistic chance of being offered social housing in the city and to ensure we make the best use of the available social housing. This policy needs to acknowledge the high levels of needs within certain groups and to offer better housing options to those that do not qualify for social housing in the City.
- 6.2 The proposed draft Housing Allocation Policy balances housing those most in need with the Councils statutory duties to provide accommodation for certain categories of household in the city and hence seeks to make best use of the available Housing stock.

## **7. FINANCIAL & OTHER IMPLICATIONS:**

### Financial Implications:

- 7.1 The Allocations Policy includes an Allocation Plan which will be agreed on an annual basis with targets for allocations to four client groups namely: transfers, home seekers, homeless households and those where the council has an interest (which includes Adult Social Care and Children’s Services clients). The draft policy states that targets will be set taking into account the council’s statutory obligations, financial considerations and the housing situation across the city. This should reduce costs for these services, thereby alleviating some of the existing budget pressures for 2017/18 and beyond. For the year to August 2016, 18.8% of social housing was let to homeless households. Were the Allocations Plan to include a higher percentage allocated to homeless households, for example 35%, this could make significant cost reductions for the

general fund estimated at £0.450m (but up to a maximum of £0.650m) for the year 2017/18 across Housing, Adult Social Care and Children's services. The month 5 2016/17 Housing General Fund temporary accommodation forecast reported to Policy, Resources and Growth Committee was a projected overspend of £0.820m which is being managed and reduced by a number of measures within the financial recovery plan resulting in a forecast net overspend of £0.277m (before offsetting against other underspends in Housing) If the new policy is agreed by this committee and implemented swiftly, it could also reduce costs in 2016/17 by up to £0.070m..

- 7.2 The Housing Allocations Policy is operated within the Neighbourhoods, Communities and Housing Directorate by the Homemove Team and is joint-funded by the Housing Revenue Account (HRA) and the general fund. The new policy proposes to reduce the number of people on the housing register thereby reducing the administration required to operate it. This will lead to efficiencies in this service. Also, the proposed changes to the bidding process should reduce the time that council properties are empty and therefore should increase rent collection for the HRA. The Council is required to make budget savings for 2017/18 and beyond and these efficiencies will be included in the integrated service and financial plans for Housing as budget savings in 2018/19 both for the HRA and the general fund.

Finance Officer Consulted: Monica Brooks

Date: 21/10/16

Legal Implications:

- 7.3 The Housing Act 1996 as amended by the Homelessness Act 2002 requires Local Authorities' to have a Housing Allocation Scheme. Subject to reasonable preference criteria, and the ability to designate qualifying groups Local Authorities 's can set up their own local policies to recognise the different types of need for an allocation. They must have regard to the statutory guidance in making these decisions. The Localism Act 2011 introduced a significant amount of flexibility in to the decision making. I am satisfied that the proposals in the report are lawful in this regard.
- 7.4 This includes the qualifying person criteria for admission on to the scheme. This is subject as always to questions of reasonableness and proportionality is at the discretion of the local authority and can take in to account a range of factors in its formulation. This covers matters such as determining what constitutes a local connection and any associated timeframes. It is of note that the current formulation of Brighton and Hove is substantially more generous than schemes in many other local authorities.
- 7.5 It may also be of assistance to note that there is in existence the Housing and Planning Act 2016. The regulations relating to this are far from complete and so there is a lack of clarity around the impact it will have, but it will have to be taken into account with regards to some part of the scheme. The pay to stay financial thresholds are reflected within the scheme in relation to eligibility criteria.
- 7.6 Before adopting an allocation scheme, or making an alteration to their scheme reflecting a major change of policy, a local housing authority in England must send a copy of the draft scheme, or proposed alteration, to every private

registered provider of social housing and registered social landlord with which they have nomination arrangements and afford those persons a reasonable opportunity to comment on the proposals. Whilst there is no statutory requirement to consult more widely, it is good practice to do so. In preparing a new scheme the council must have regard to their current homelessness strategy and their current tenancy strategy. Consultation has been more widespread than the statutory requirement. If further changes to the scheme are proposed then there would need to be a period of further consultation. The policy was subject to consultation with relevant partners from 1 December 2015 until 29 February 2016 in respect of the suggested changes put forward by the Council. The Council has taken into account the results of this consultation and has made some amendments to reflect the comments made.

- 7.7 A concern which has prompted the review and this proposed document was the potential unlawfulness of elements of the previous scheme and the ever changing legislative and judicial interpretation of obligations on the local authority in regards to its housing provision. Recently in the “Ealing Case” a comparable “working positive contribution” preference element was deemed to be unlawful for discrimination. The view of Legal then and now is that while Brighton and Hove would not breach equalities issues in terms of disability sexual orientation etc, there is a strong likelihood that without change that the scheme would be a breach of the equalities duty in relation to gender and specifically single parent women. There may also be an issue in relation to age based on information just obtained. The rationale in the case highlighted this group (single parent women and others which we do not believe apply) as being disadvantaged and therefore discriminated against because there was less chance of a proportion of that group being able to find work due to child care responsibilities. In order to avoid the current policy falling foul of this ruling, significant changes would be required to introduce exemptions.
- 7.8 It is noted that there is a proposal to reduce the number of offers to certain groups from 3 to 1. This would then bring more consistency to the policy as certain groups are already limited to 1 offer. Again the amount of offers is at the discretion of the authority. It is a legitimate purpose to reduce administrative cost and burden on the authority as long as it is reasonable and does not breach equalities issues. Care should be taken with vulnerable groups to ensure that they understand that they will have one offer and the consequences of refusal.
- 7.9 Financial limits are introduced for eligibility. This is a legitimate inclusion and the figures are approximately similar to those indicated to be applicable in the pay to say legislation. There must as in all cases be the ability to vary this in exceptional circumstances.
- 7.10 The Council’s constitution gives the Housing & New Homes Committee delegated powers to deal with Housing matters, including homelessness and allocations. However, that power has to be exercised having regard to the general rules in the introduction to the scheme of delegations to Committees. One of these rules, contained in paragraph 2 (a) provides that : “A Committee or Sub-Committee dealing with a matter that has corporate policy or corporate budgetary implications (e.g. committing the Council to expenditure that has serious impact on the overall finances of the authority) will refer the matter to the Policy, Resources and Growth Committee with recommendations. The Chief

Executive may issue practical guidance as to the application of this paragraph. Where the position is not clear, the Chief Executive (in relation to policy matters) or the Executive Director Finance and Resources (in relation to budgetary matters) will make the final determination

- 7.11 The Executive Director Finance and Resources is of the view that a decision to agree or not to agree the proposed changes will have significant enough financial/budgetary implications, given the current overspend which will be exacerbated by any failure or delay to agree the changes. This is therefore a matter that has corporate financial implications. It is for this reason that the report is to be referred to Policy, Resources and Growth Committee

*Lawyer Consulted: Simon Court and Liz Woodley Date: 08.09.16 and 31.10.16*

Equalities Implications:

- 7.12 The Council is obliged to have full regard to the Equalities Act 2010 is exercising its functions and has to have special regard to s149 the Public Sector Equality Duty. This policy has been developed to take account of Equalities and has specifically designed the policy when considering when people have a need to move based on social welfare consideration such as health and disability. The policy has specific regard to ensure that properties that are designed for people with mobility issues are those that will be allocated accommodation that meets their needs. A full Equalities Impact Assessment of the policy has been completed. Members are referred to the full text of s149 of the Equality Act 2010 – included at the end of this document as appendix X – which must be considered when making a decision on the matters set out in this report. A full Equality Impact Assessment has been completed and will be available in the Members' rooms prior to Housing & New Homes Committee.

Sustainability Implications:

- 7.13 Having a housing register with over 24,000 is not sustainable. The Council allocates approximately 800 units of accommodation each year and although there is a new house building programme this will not meet the current demand for all of those on the housing register. There is a structural deficient in the number of people who approach the council for accommodation under the Homelessness provisions of the Housing Act 1996 Part VII Applicants have many reasons to apply to the housing register for social housing. Any allocations policy needs to have regard to a person's ability to be ready to hold and maintain a social tenancy. The impact on granting someone a tenancy if they are not ready to do so can be felt by the individual who may face rent arrears and eviction proceeding. Communities can also be majorly affected if people are not ready to hold a tenancy and cause anti social behaviour that can blight people lives.

Any Other Significant Implications:

- 7.14 None

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Consultation Report
2. Draft Allocations Policy

### **Documents in Members' Rooms**

1. Draft Equality Impact Assessment
2. Allocations Policy Equality Impact Assessment Supporting Document

### **Background Documents**

1. None



## 149 Public sector equality duty

(1) A public authority must, in the exercise of its functions, have due regard to the need to—

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

(2) A person who is not a public authority but who exercises public functions must, in the exercise of those functions, have due regard to the matters mentioned in subsection (1).

(3) Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to—

- (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

(4) The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

(5) Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to—

- (a) tackle prejudice, and
- (b) promote understanding.

(6) Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act.

(7) The relevant protected characteristics are—

- age;
- disability;
- gender reassignment;
- pregnancy and maternity;
- race;
- religion or belief;
- sex;

- sexual orientation.

(8) A reference to conduct that is prohibited by or under this Act includes a reference to—

(a) a breach of an equality clause or rule;

(b) a breach of a non-discrimination rule.

(9) Schedule 18 (exceptions) has effect.

**Housing Allocation Review & Consultation**  
April 2016

# **Consultation Report:**

## **Review of the Allocations Policy 2015-16**

# Contents

Contents page will be added when agreed by Full Council

## 1. About this Consultation Report

This report outlines the out come of the consultation that was held between 1<sup>st</sup> December 2015 and 29<sup>th</sup> February 2016.

This policy was developed in 3 key stages. The first stage was to obtain permission to consult on changes to the allocations policy. This was agreed by the Housing & New Homes Committee in September 2015. The second stage was to produce a consultation paper and hold a three month public consultation. This paper included our priorities and what we are proposing to change. The consultation lasted for three months.

- Stage 1: Permission from Member to review the current policy  
September 2015
- Stage 2: Consultation with the community and stakeholders November  
2015 – February 2016
- Consultation report and Draft Strategy to Members for Approval  
September 2016

This report is made up of two parts. Part one looks at who responded to the consultation including where people live and how long they have lived their, if they were responding as an individual or organisation, type of accommodation occupied, whether on the current housing register or not and equalities information.

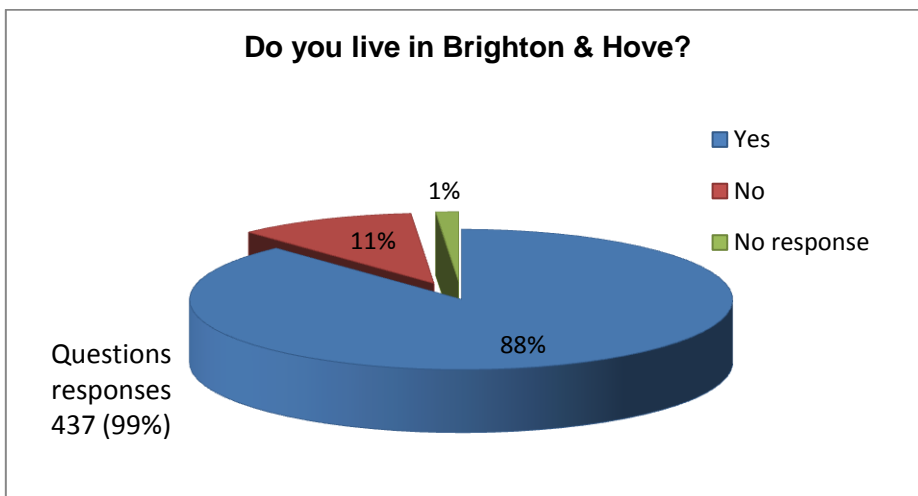
The second part of this report then looks at the actual consultation questions that were asked. In order to inform the decision making process the report will look at the responses received as a whole and for some questions these will be broken down in to sub sets of information such as people who are actually on the housing register or respondents who do not live in the city.

Each of the questions allowed respondents to make specific comments against the question being asked. This report does not contain every single comment but groups them around topics both

positive and negative. The reason not to include every comment in this report is that to do so would make the report extremely long and difficult to digest.

## 2. Part One

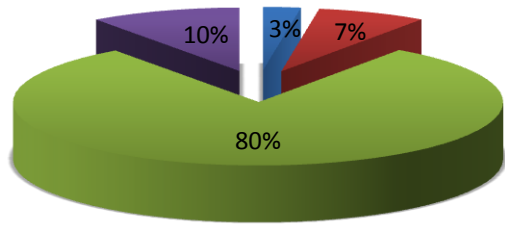
The council carried out a three month consultation on the proposal to comprehensively review the way that it allocates social housing in the city. In part one of this report we will look at who responded to this consultation in terms of where they live and some other personal attributes.



Yes	390
No	47
No response	6

A high percentage of respondents to the questionnaire live in Brighton and Hove with just under 11% of respondents living outside of the city.

### How long have you lived in Brighton & Hove?



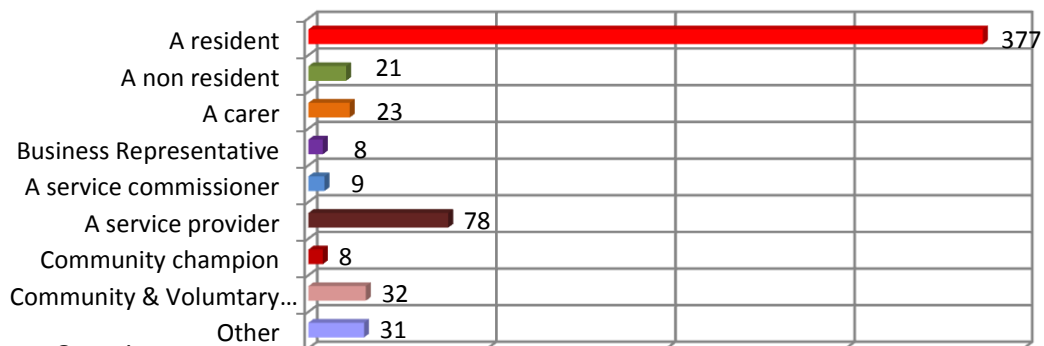
Questions responses  
339 (90%)



Under 2 years	11
Two to five years	32
Over five years	356
No response	44

The highest proportions of respondents have lived in the city for a minimum period of five years with 7% having lived here for between two and five years and 3% of respondents having lived in the city less than two years.

### Are you replying as?

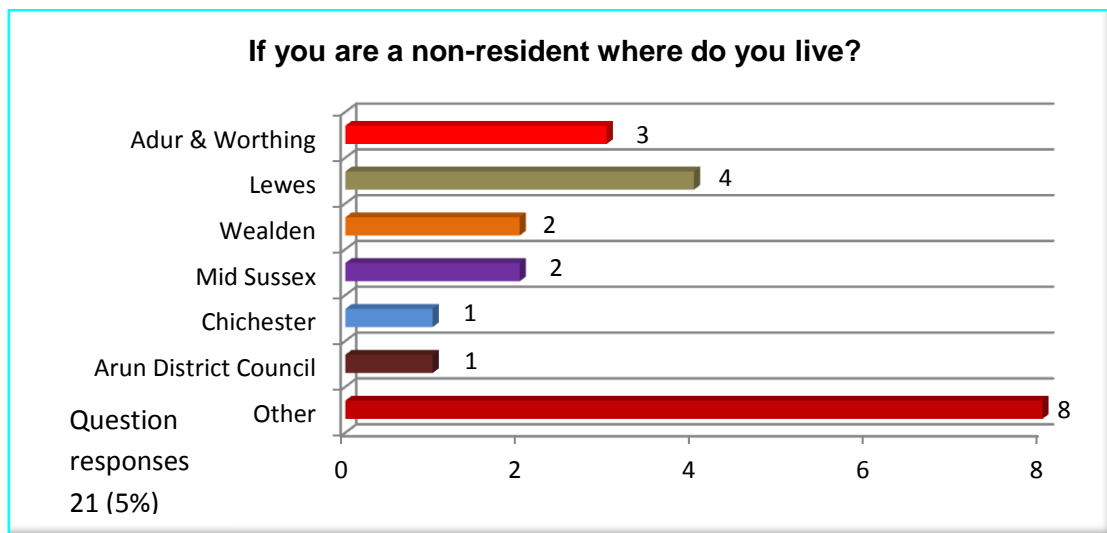


Question responses  
440 (99%)

A resident	377
A non resident	21
A carer	23

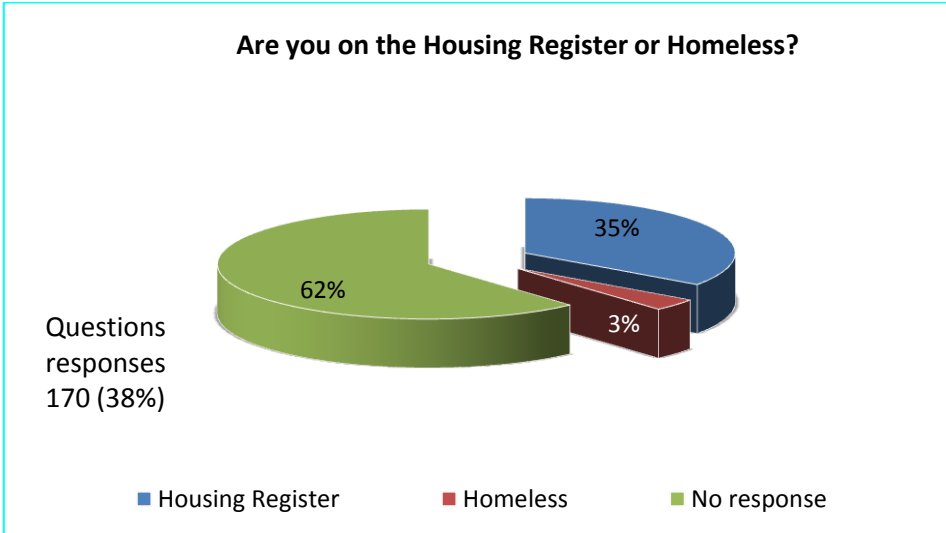
Business Representative	8
A service commissioner	9
A service provider	78
Community champion	8
Community & Voluntary Sector Org	32
Other	31

The table above looks if the respondents are resident or have responded from an alternative view point such as service providers in the community and voluntary sector or a community champion. The highest proportion of respondents were residents of the city and there was also a good return from organisations that work with people facing housing difficulties.



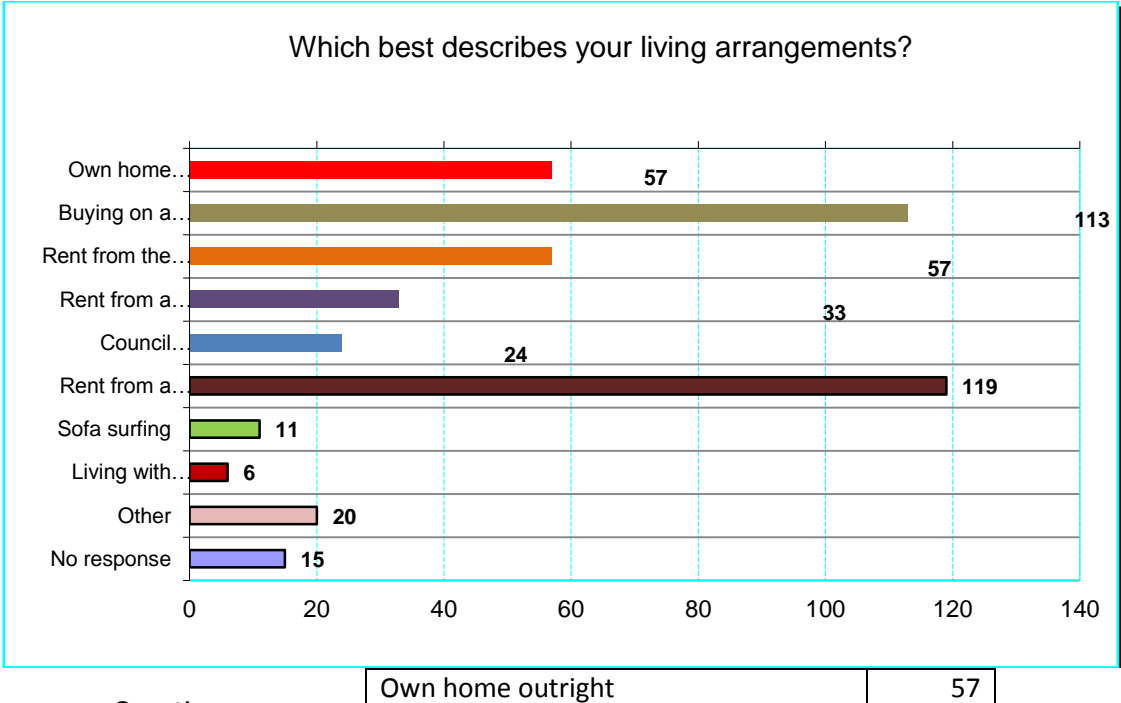
Adur & Worthing	3
Lewes	4
Wealden	2
Mid Sussex	2
Chichester	1
Arun District Council	1
Other	8





Housing Register	154
Homeless	16
No response	273

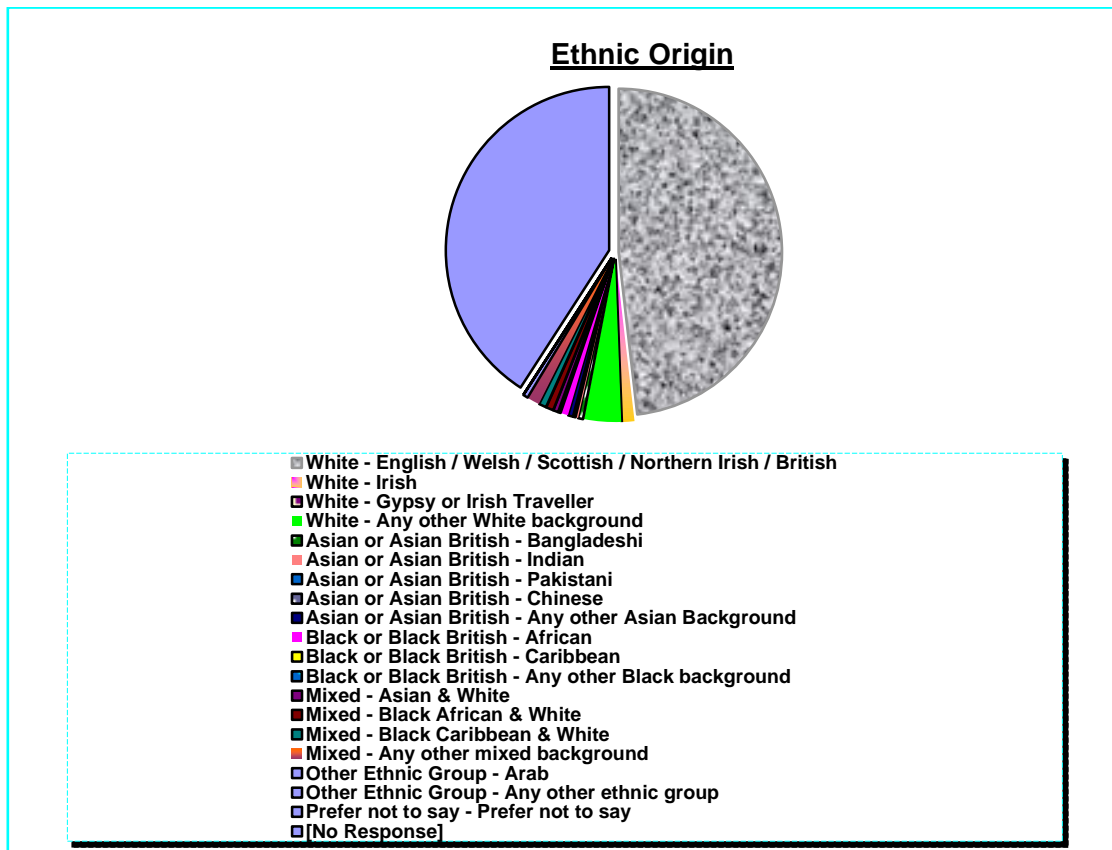
35% of respondents were from people who are on the housing register. The consultation was advertised on the Sussex Homemove system where people have to log onto to place their bids. The consultation was open for 3 months and therefore covered 13 bidding cycles. There was a 3% response from people that stated that they were homeless, although some people that responded as being on the housing register may also be homeless at the same time.



Question responses  
428 (97%)

Buying on a mortgage	113
Rent from the Council	57
Rent from a Housing Association or trust	33
Council provided temporary accommodation	24
Rent from a private landlord or agent	119
Sofa surfing	11
Living with relatives	6
Other	20
No response	15

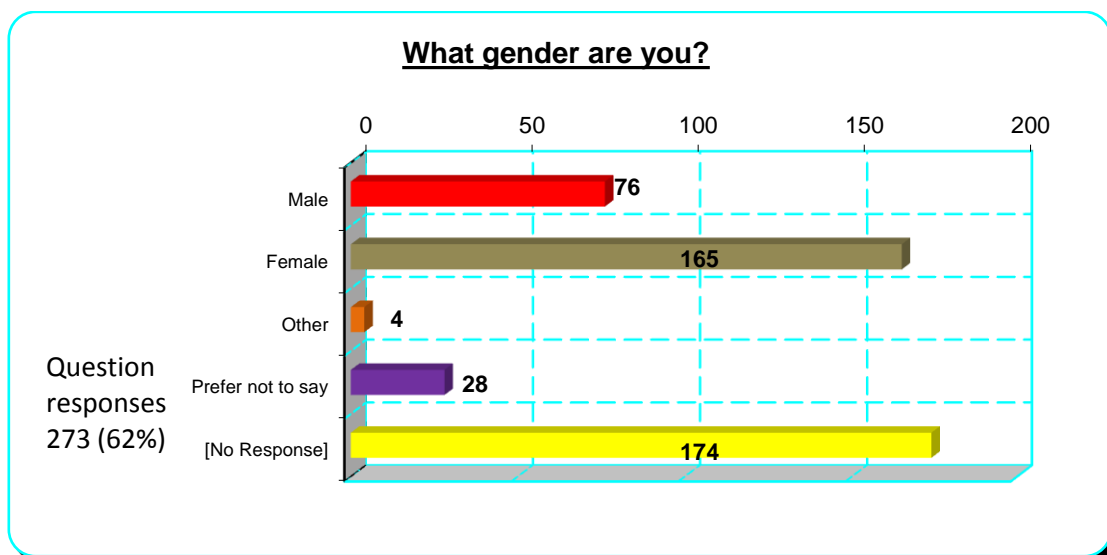
The council carried out an open consultation and table above indicates a respondents current living arrangements. The highest response rate was from people living in the private rented sector followed by people who own their own home with a mortgage on the property.



White - English / Welsh / Scottish / Northern Irish / British	198
White - Irish	5
White - Gypsy or Irish Traveller	0
White - Any other White background	15
Asian or Asian British - Bangladeshi	2

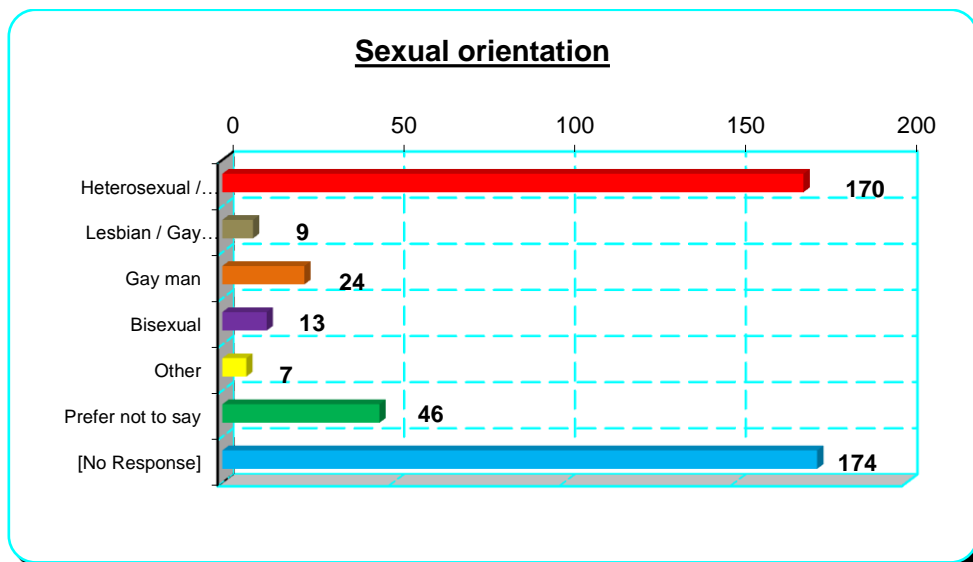
Asian or Asian British - Indian	1
Asian or Asian British - Pakistani	1
Asian or Asian British - Chinese	0
Asian or Asian British - Any other Asian Background	2
Black or Black British - African	3
Black or Black British - Caribbean	1
Black or Black British - Any other Black background	0
Mixed - Asian & White	2
Mixed - Black African & White	3
Mixed - Black Caribbean & White	3
Mixed - Any other mixed background	5
Other Ethnic Group - Arab	2
Other Ethnic Group - Any other ethnic group	0
Prefer not to say - Prefer not to say	0
[No Response]	168

The table above looks at the respondent's ethnicity. The highest response rate received was from white British respondents. There were low or no responses from a number of BME groups. There was also a very high percentage of people who preferred not to answer this question. This could be in part due to the fact that respondents from organisations did not reply to this question as they were providing a community response and not an individual response.



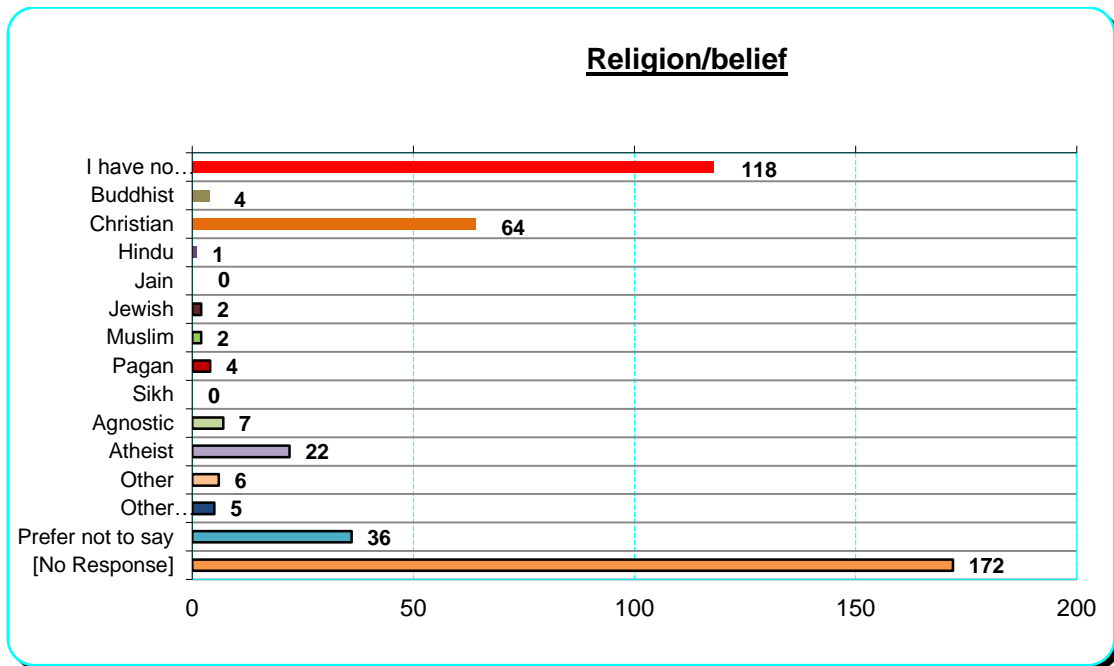
Male	76
Female	165
Other	4
Prefer not to say	28
[No Response]	174

There was a high response rate from Women to the consultation and again a high rate of respondents not answering this question.



Heterosexual / Straight	170
Lesbian / Gay woman	9
Gay man	24
Bisexual	13
Other	7
Prefer not to say	46
[No Response]	174

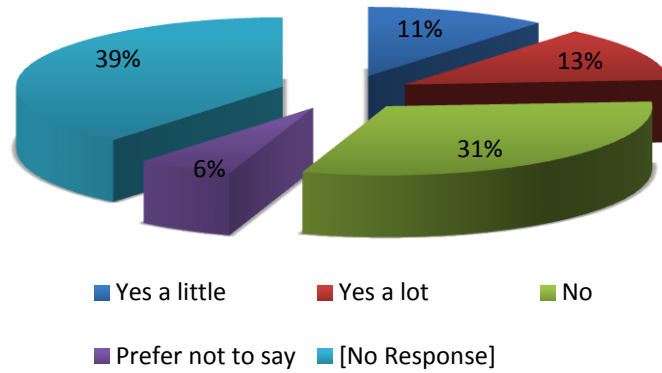
There was a high rate of responses from people who identify as being Heterosexual but a lower than could be expected rate from people who identify as being from the LGB community. We do know however that there were a number of group response from LGBT community & voluntary groups.



A high number of respondents did not have any religious belief and did not respond to the question at all.

<b>I have no particular religion</b>	118
<b>Buddhist</b>	4
<b>Christian</b>	64
<b>Hindu</b>	1
<b>Jain</b>	0
<b>Jewish</b>	2
<b>Muslim</b>	2
<b>Pagan</b>	4
<b>Sikh</b>	0
<b>Agnostic</b>	7
<b>Atheist</b>	22
<b>Other</b>	6
<b>Other philosophical belief</b>	5
<b>Prefer not to say</b>	36
<b>[No Response]</b>	172

Are your day-to-day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months?

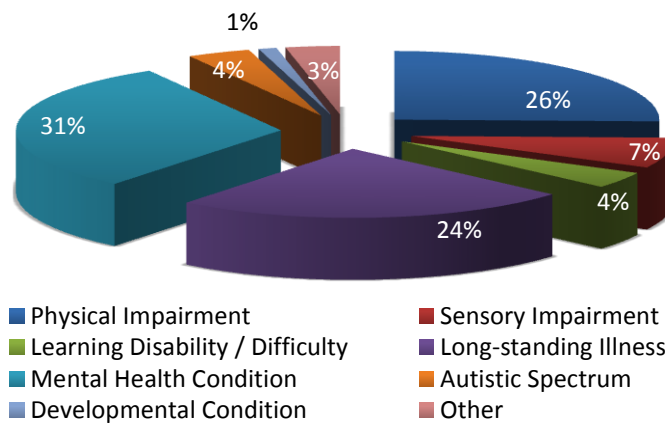


Questions responses  
270 (61%)

<b>Yes a little</b>	49
<b>Yes a lot</b>	57
<b>No</b>	138
<b>Prefer not to say</b>	26
<b>[No Response]</b>	173

24% of respondents had a health or disability issue with 31% not having any issues and 39% not answering the question.

Type of impairment?



Questions responses  
104 (23%)

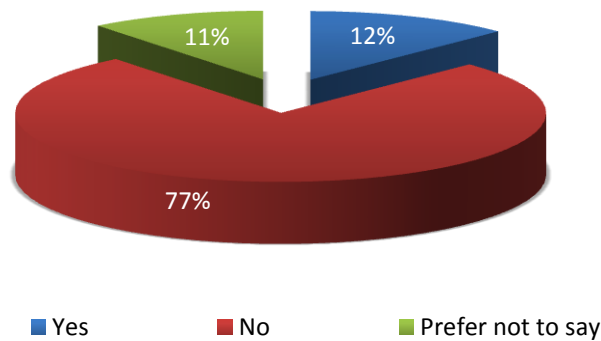
The Table above looks at the type of health or impairments that the respondent reported. The highest response rate was from those with a physical impairment, mental health or long standing illness and the lowest response rate was from people with a learning disability or those on the Autistic Spectrum.

<b>Physical Impairment</b>	46
<b>Sensory Impairment</b>	13

<b>Learning Disability / Difficulty</b>	7
<b>Long-standing Illness</b>	44
<b>Mental Health Condition</b>	56
<b>Autistic Spectrum</b>	7
<b>Developmental Condition</b>	2
<b>Other</b>	6
<b>[No Response]</b>	339

Are you a carer - a carer provides unpaid support to family or friends who are ill, frail, disabled or have mental health or substance misuse problems

Questions responses  
271 (61%)

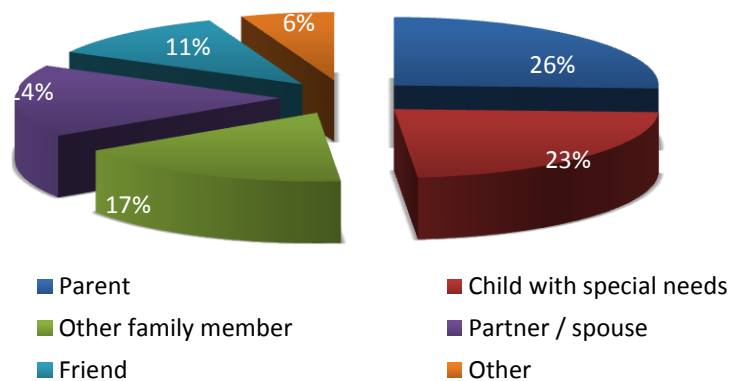


<b>Yes</b>	34
<b>No</b>	208
<b>Prefer not to say</b>	29
<b>[No Response]</b>	172

There was a 12% response from those who care for someone else, either a family member or friend across a range of issues. 77% of respondents do not have any caring responsibility.

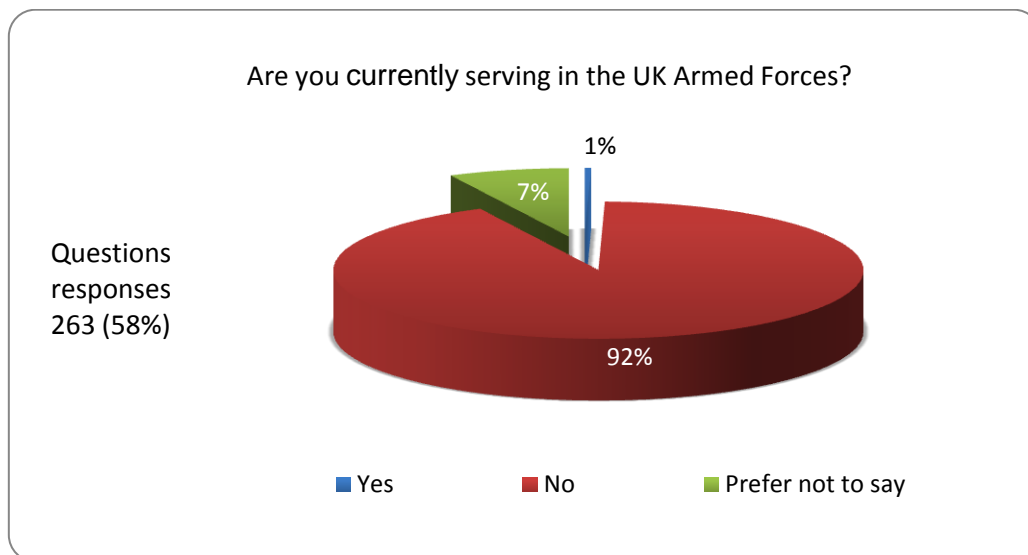
Who do you care for?

Questions responses  
34 (8%)



For those with a caring responsibility the highest response rate was from those looking after a child with special needs or those looking after a parent.

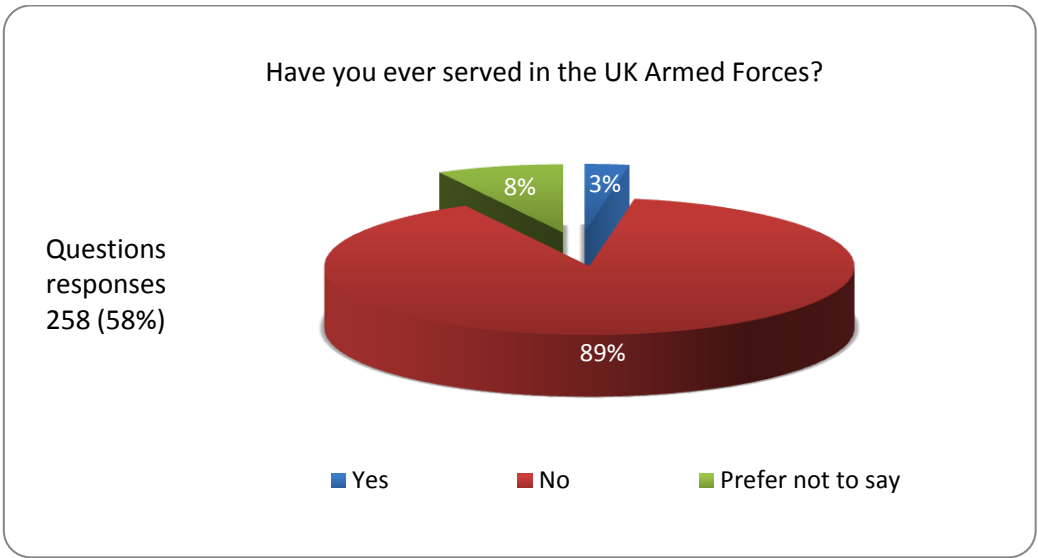
<b>Parent</b>	9
<b>Child with special needs</b>	8
<b>Other family member</b>	6
<b>Partner / spouse</b>	6
<b>Friend</b>	4
<b>Other</b>	2
<b>[No Response]</b>	409



	1
<b>No</b>	238
<b>Prefer not to say</b>	19
<b>[No Response]</b>	185

There was a 1% response rate from those currently serving in the UK armed Services. The consultation was advertised through the council's Military Covenant Partnership board to organisations including the Royal British Legion. 7% of respondents preferred not to say if they were currently serving personnel. It is not uncommon for serving personnel not to answer this question.





<b>Yes</b>	7
<b>No</b>	231
<b>Prefer not to say</b>	20
<b>[No Response]</b>	185

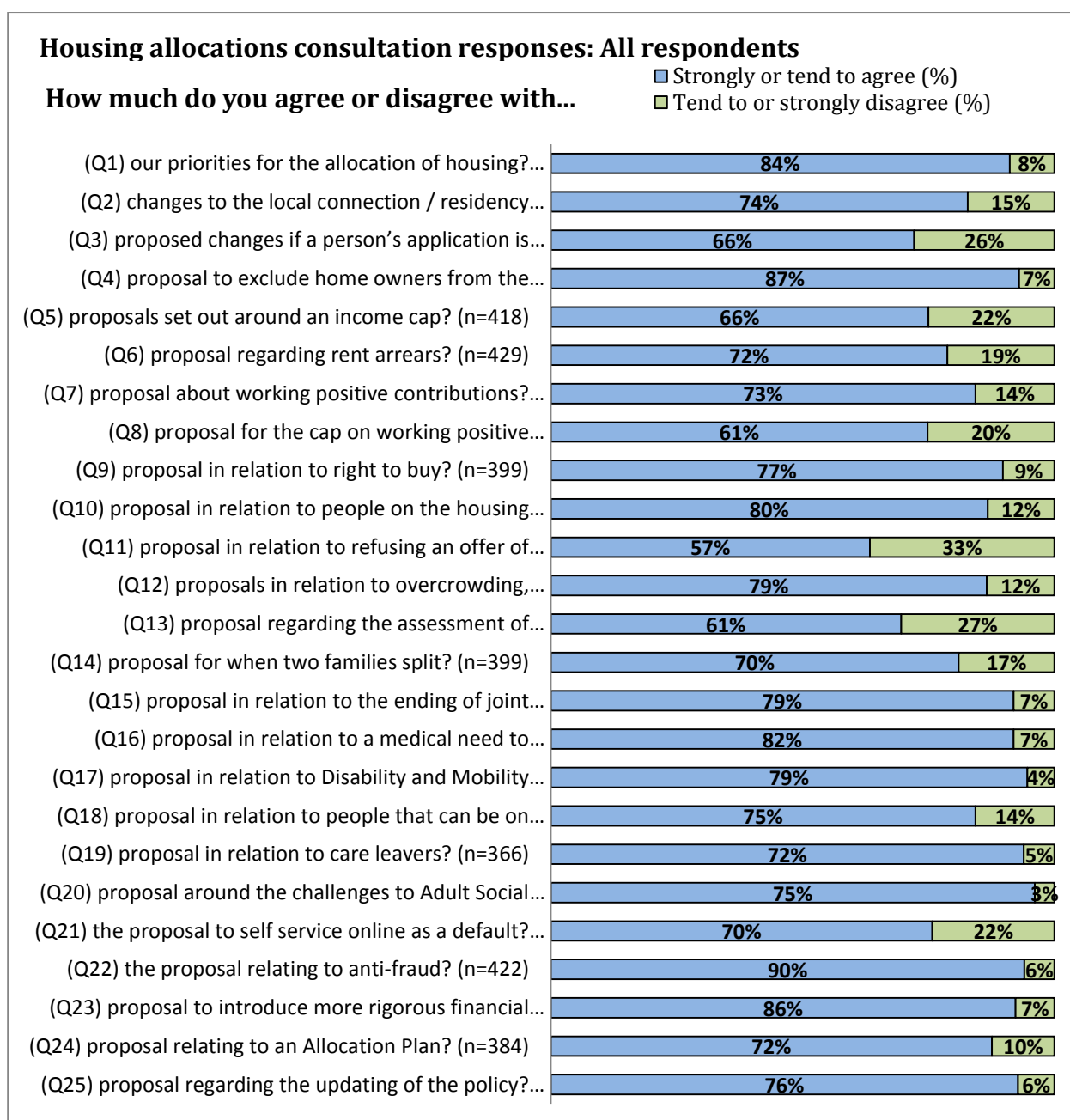
There were also a higher response rate from former serving members of the armed forces (3%) and again an 8% of respondents not responding to this question.

### 3. Part 2

This part of the consultation report looks at the response to the questions that were asked in relation to changes to the allocations policy. The tables show the number of respondent who with agree or strongly agree to a proposal (in blue or to the left of graph) and those that disagree or strongly disagree (in green or to the right of graph). Respondents that neither agreed of disagreed and those that did not respond to a particular question were removed. This gives an overall picture for those and against a proposed measure.

The data was also broken down to show how particular classes of respondent replied to the questions asked. This is to ensure that there is an analysis on particular areas of the policy that will affect a particular group. The breakdown includes people on the Housing Register as they are more likely to be affected than any other group but it also includes the responses of residents and non resident who may be affected.

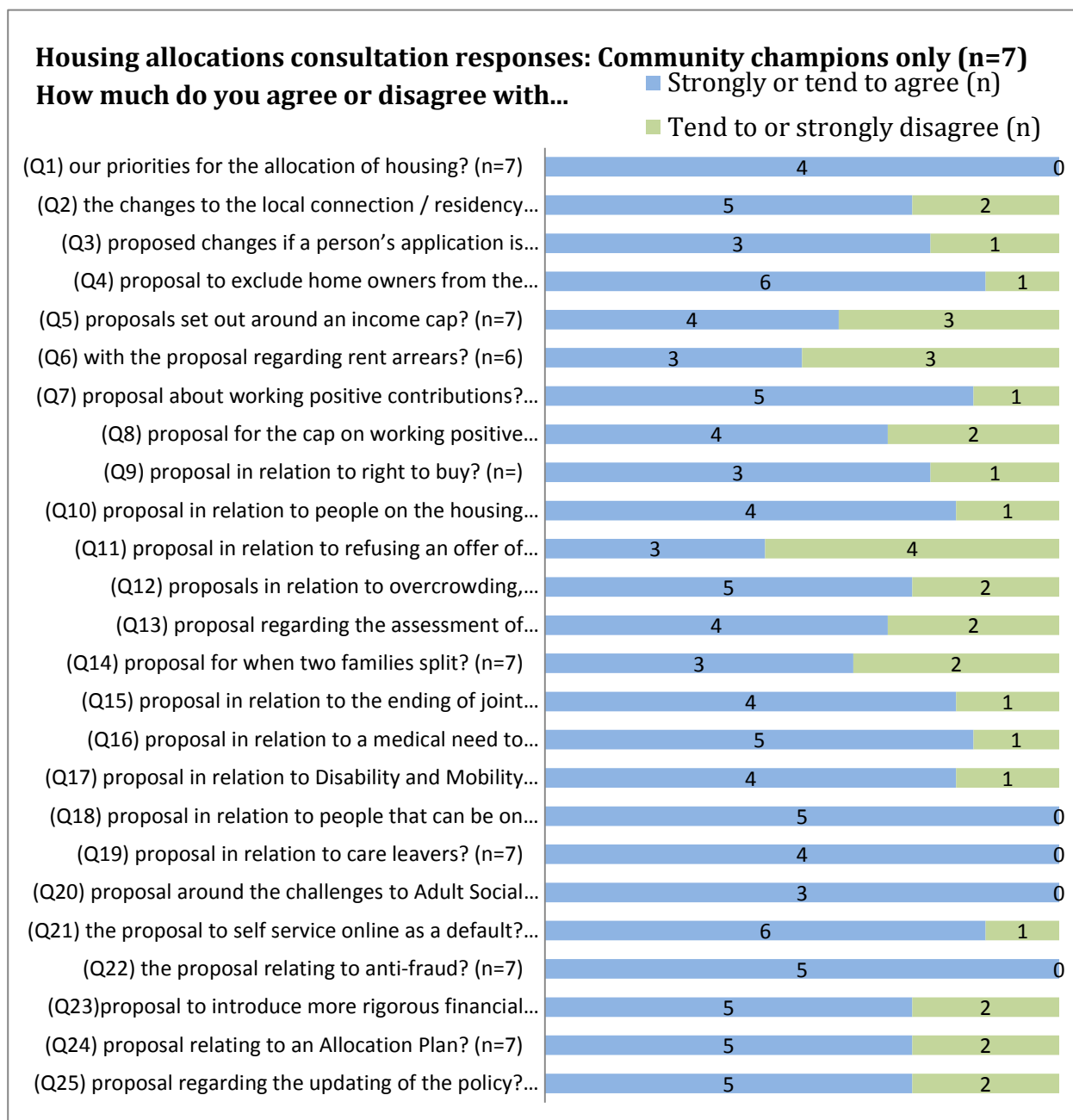
## Housing allocations consultation responses: All respondents



The table above contains responses to the consultation questions asked during the three month consultation period on the council's consultation portal. The total number of respondents was 439. In general there was a high level of support for the proposals with many proposals obtaining 70% in favour of the proposals.

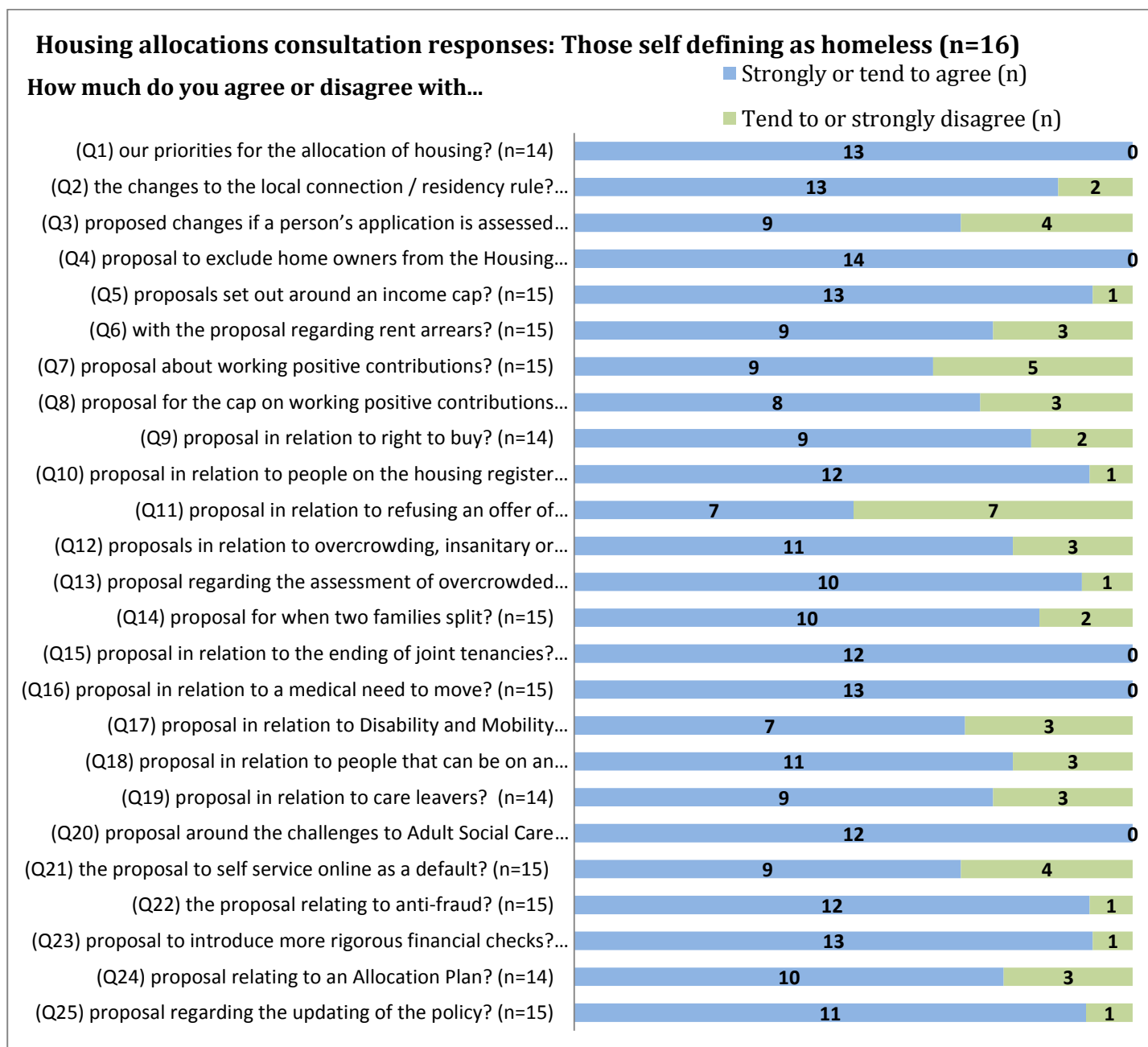
The lowest favourable responses were in relation to offering applicants one offer of suitable accommodation which received 57% in favour and 33% not in favour.

## Housing allocations consultation responses: Community champions



Respondents who replied as community champions shared many of the same views as other groups. Statistically this is a very small group. Community champions have a significant amount of contact with resident with housing issues and they showed strong support for the council's priorities, fraud initiatives, local connections criteria, self service on-line and excluding homeowners but showed less support for refusal of offers and exclusion for rent arrears.

## Those self defining as homeless

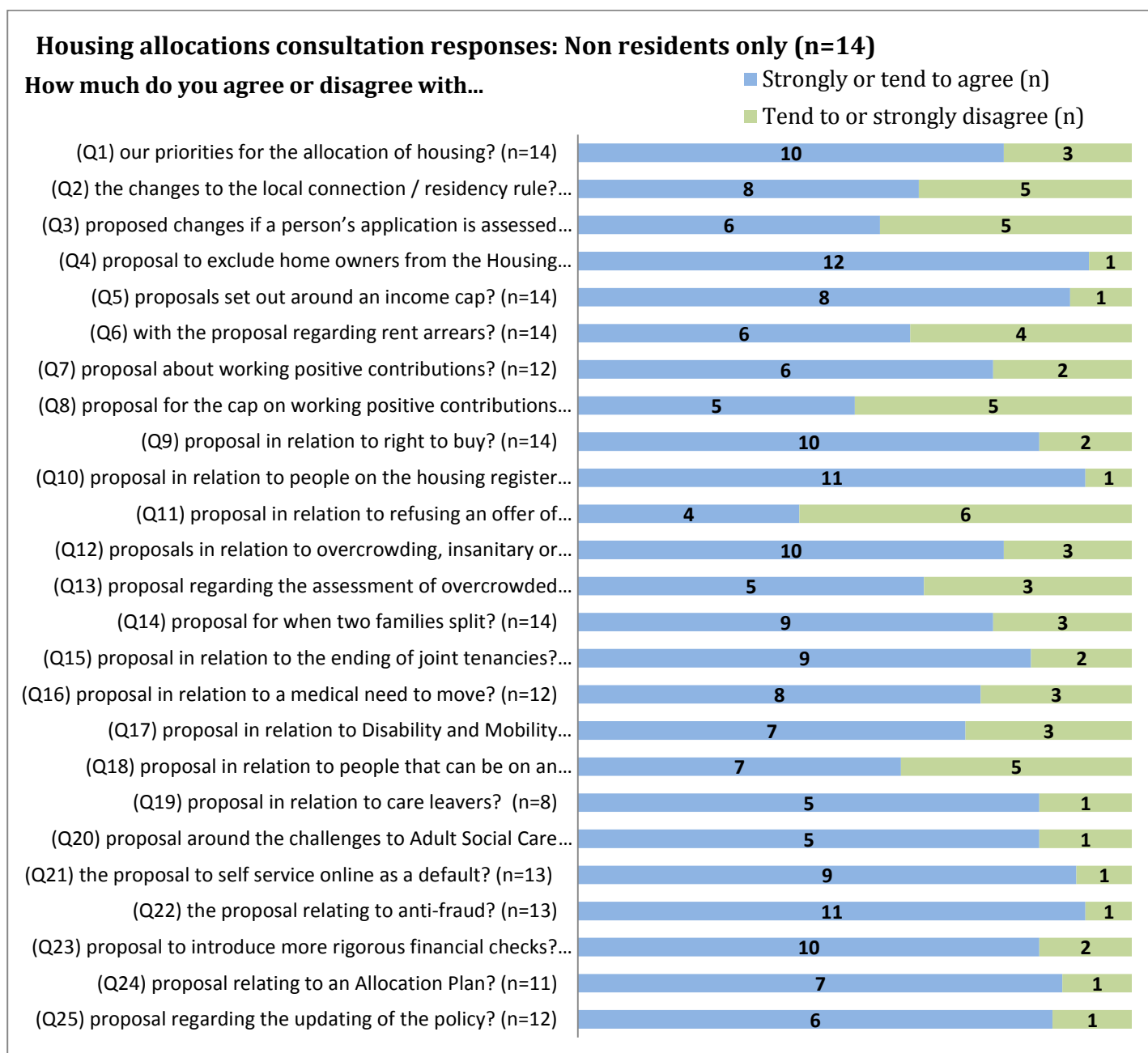


A small number of respondents identified that they were current homeless. It is not known if the respondents were accepted homeless by the council or identified as homeless but not accepted. It is possible that people who are homeless may have only identified as a respondent being on the housing register or both.

Statistically the number of people in the category is small and therefore the data cannot be relied on say that this generally is what homeless household would

agree with. It is however noted that although small in number there is still general agreement with the proposals in the category.

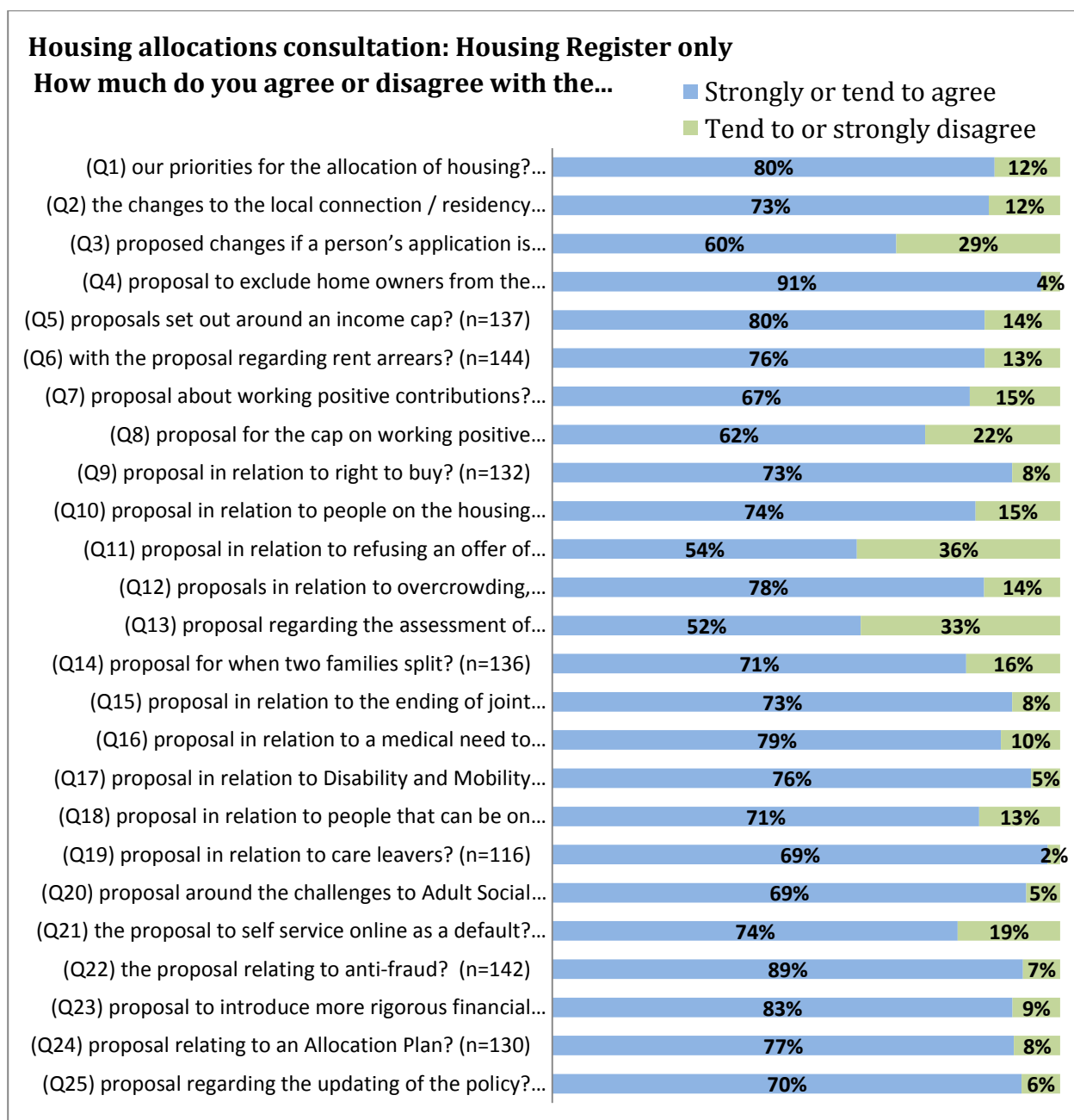
## Non residents only



This category of respondents identified as not currently being resident in Brighton & Hove. The numbers are statistically small but have been included as there are

proposals to make changes to the local connection criteria that would directly affect this group. Generally there is agreement with the overall proposals in the consultation and even the local connection changes are supported albeit by a small margin.

## Housing Register only



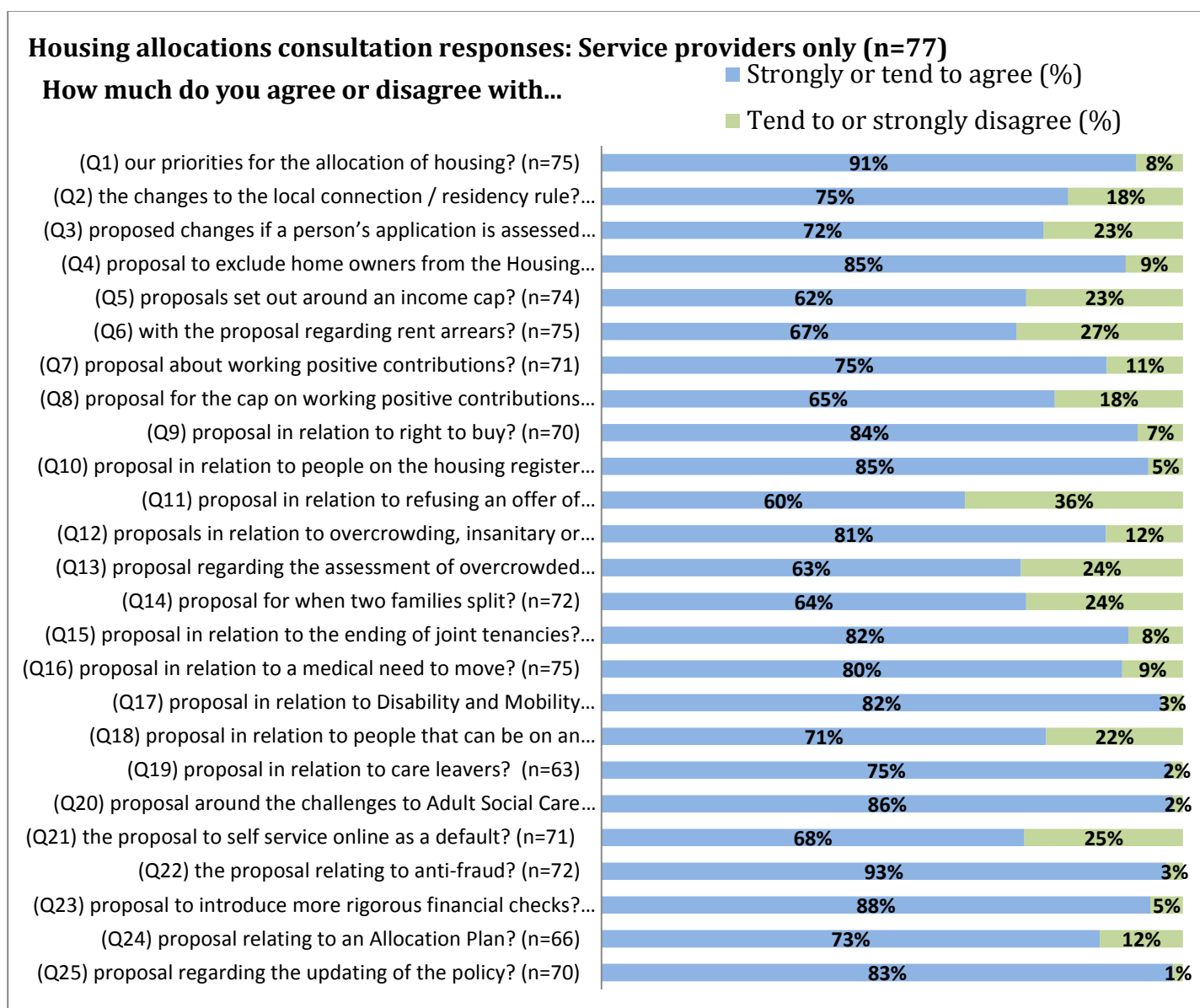
A higher proportion of respondents indicated that they were currently on the council's housing register and therefore are the most affected by the changes that are being proposed.

Some respondents in this group did not answer all of the questions and the results are shown as a percentage of those approving and disapproving the proposals.

The graph above indicated a strong approval rating with the majority of the proposals. There was a high approval rating for the local connection criteria of 73% and 80% of respondents approving the priorities within the proposals.

Two areas with lower approval ratings are in the proposed one suitable offer category and in the ability to lower priority for people who intentionally overcrowd properties. Even with this lower approval rating there are more in favour of the proposals than against with a 20% having no view on these proposals.

### Service providers only





There is a large community and voluntary sector in the city and we also know that a high number of City Council employees also responded to the consultation. There are some very high approval ratings within this group who deal with applicants' in housing need.

## 4. Raw data sheets

Raw data information also showing those that neither agreed or disagreed with a proposal.

Q1. Do you agree or disagree with our priorities for the allocation of housing?									
		Are you replying as:							All responses
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation	Other	
Strongly or tend to agree		309	17	8	68	4	27	28	359
		83.7%	77.3%	88.9%	90.7%	57.1%	93.1%	90.3%	84.1%
Neither agree nor disagree		30	2	1	1	3	1	1	33
		8.1%	9.1%	11.1%	1.3%	42.9%	3.4%	3.2%	7.7%
Tend to or strongly disagree		30	3	0	6	0	1	2	35
		8.1%	13.6%	0.0%	8.0%	0.0%	3.4%	6.5%	8.2%
Total		369	22	9	75	7	29	31	427

Percentages and totals are based on respondents.

Q2. Do you agree or disagree with the changes to the local connection / residency rule?									
		Are you replying as:							All responses
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation	Other	
Strongly or tend to agree		277	12	5	57	5	19	26	317
		74.9%	52.2%	55.6%	75.0%	71.4%	63.3%	81.3%	73.7%
Neither agree nor disagree		41	2	1	5	0	3	4	47
		11.1%	8.7%	11.1%	6.6%	0.0%	10.0%	12.5%	10.9%
Tend to		52	9	3	14	2	8	2	66

or strongly disagree	14.1%	39.1%	33.3%	18.4%	28.6%	26.7%	6.3%	15.3%
Total	370	23	9	76	7	30	32	430

Percentages and totals are based on respondents.

**Q3. Do you agree or disagree with the proposed changes if a person's application is assessed as not having a housing need?**

		Are you replying as:							All responses
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation	Other	
Strongly or tend to agree		241	11	7	54	3	18	24	280
		66.0%	47.8%	87.5%	72.0%	50.0%	62.1%	75.0%	66.2%
Neither agree nor disagree		31	3	1	4	2	2	1	35
		8.5%	13.0%	12.5%	5.3%	33.3%	6.9%	3.1%	8.3%
Tend to or strongly disagree		93	9	0	17	1	9	7	108
		25.5%	39.1%	0.0%	22.7%	16.7%	31.0%	21.9%	25.5%
Total		365	23	8	75	6	29	32	423

Percentages and totals are based on respondents.

**Q4. Do you agree or disagree with the proposal to exclude home owners from the Housing Register?**

		Are you replying as:							All responses
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation	Other	
Strongly or tend to agree		322	19	8	64	6	23	28	372
		87.3%	82.6%	100.0%	85.3%	85.7%	76.7%	90.3%	87.3%
Neither agree nor disagree		22	1	0	4	0	4	3	26
		6.0%	4.3%	0.0%	5.3%	0.0%	13.3%	9.7%	6.1%
Tend to or strongly disagree		25	3	0	7	1	3	0	28
		6.8%	13.0%	0.0%	9.3%	14.3%	10.0%	0.0%	6.6%
Total		369	23	8	75	7	30	31	426

Percentages and totals are based on respondents.

Q5. Do you agree or disagree with the proposals set out around an income cap?									
		Are you replying as:						All responses	
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation		Other
Strongly or tend to agree		235	16	4	46	4	20	21	276
		64.9%	76.2%	50.0%	62.2%	57.1%	66.7%	72.4%	66.0%
Neither agree nor disagree		40	4	3	11	0	2	7	50
		11.0%	19.0%	37.5%	14.9%	0.0%	6.7%	24.1%	12.0%
Tend to or strongly disagree		87	1	1	17	3	8	1	92
		24.0%	4.8%	12.5%	23.0%	42.9%	26.7%	3.4%	22.0%
Total		362	21	8	74	7	30	29	418

Percentages and totals are based on respondents.

Q6. Do you agree or disagree with the proposal regarding rent arrears?									
		Are you replying as:						All responses	
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation		Other
Strongly or tend to agree		277	10	2	50	3	13	22	308
		74.5%	45.5%	25.0%	66.7%	50.0%	44.8%	71.0%	71.8%
Neither agree nor disagree		31	5	1	5	0	1	5	38
		8.3%	22.7%	12.5%	6.7%	0.0%	3.4%	16.1%	8.9%
Tend to or strongly disagree		64	7	5	20	3	15	4	83
		17.2%	31.8%	62.5%	26.7%	50.0%	51.7%	12.9%	19.3%
Total		372	22	8	75	6	29	31	429

Percentages and totals are based on respondents.

<b>Q7. Do you agree or disagree with proposal about working positive contributions?</b>									
		Are you replying as:							All responses
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation	Other	
Strongly or tend to agree		254	10	2	53	5	24	24	290
		73.4%	50.0%	33.3%	74.6%	83.3%	80.0%	80.0%	72.5%
Neither agree nor disagree		47	5	2	10	0	4	3	56
		13.6%	25.0%	33.3%	14.1%	0.0%	13.3%	10.0%	14.0%
Tend to or strongly disagree		45	5	2	8	1	2	3	54
		13.0%	25.0%	33.3%	11.3%	16.7%	6.7%	10.0%	13.5%
<b>Total</b>		<b>346</b>	<b>20</b>	<b>6</b>	<b>71</b>	<b>6</b>	<b>30</b>	<b>30</b>	<b>400</b>

Percentages and totals are based on respondents.

<b>Q8. Do you agree or disagree with the proposal for the cap on working positive contributions should remain at the current levels?</b>									
		Are you replying as:							All responses
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation	Other	
Strongly or tend to agree		206	12	4	46	4	19	19	241
		60.4%	54.5%	57.1%	64.8%	57.1%	65.5%	61.3%	60.7%
Neither agree nor disagree		64	4	3	12	1	5	7	75
		18.8%	18.2%	42.9%	16.9%	14.3%	17.2%	22.6%	18.9%
Tend to or strongly disagree		71	6	0	13	2	5	5	81
		20.8%	27.3%	0.0%	18.3%	28.6%	17.2%	16.1%	20.4%
<b>Total</b>		<b>341</b>	<b>22</b>	<b>7</b>	<b>71</b>	<b>7</b>	<b>29</b>	<b>31</b>	<b>397</b>

Percentages and totals are based on respondents.

Q9. Do you agree or disagree with the proposal in relation to right to buy?									
		Are you replying as:						All responses	
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation		Other
Strongly or tend to agree		264	18	7	59	3	21	21	308
		77.0%	81.8%	87.5%	84.3%	60.0%	77.8%	67.7%	77.2%
Neither agree nor disagree		50	2	1	6	1	5	4	56
		14.6%	9.1%	12.5%	8.6%	20.0%	18.5%	12.9%	14.0%
Tend to or strongly disagree		29	2	0	5	1	1	6	35
		8.5%	9.1%	0.0%	7.1%	20.0%	3.7%	19.4%	8.8%
Total		343	22	8	70	5	27	31	399

Percentages and totals are based on respondents.

Q10. Do you agree or disagree with the proposal in relation to people on the housing register who have not made a bid for 12 months?									
		Are you replying as:						All responses	
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation		Other
Strongly or tend to agree		289	19	7	63	4	21	29	341
		79.0%	86.4%	87.5%	85.1%	57.1%	72.4%	93.5%	80.4%
Neither agree nor disagree		29	2	0	7	2	4	0	31
		7.9%	9.1%	0.0%	9.5%	28.6%	13.8%	0.0%	7.3%
Tend to or strongly disagree		48	1	1	4	1	4	2	52
		13.1%	4.5%	12.5%	5.4%	14.3%	13.8%	6.5%	12.3%
Total		366	22	8	74	7	29	31	424

Percentages and totals are based on respondents.

<b>Q11. Do you agree or disagree with the proposal in relation to refusing an offer of accommodation?</b>									
		Are you replying as:							All responses
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation	Other	
Strongly or tend to agree		211	7	4	45	3	11	20	239
		58.6%	30.4%	57.1%	60.0%	42.9%	36.7%	64.5%	57.2%
Neither agree nor disagree		34	6	1	3	0	3	1	41
		9.4%	26.1%	14.3%	4.0%	0.0%	10.0%	3.2%	9.8%
Tend to or strongly disagree		115	10	2	27	4	16	10	138
		31.9%	43.5%	28.6%	36.0%	57.1%	53.3%	32.3%	33.0%
Total		360	23	7	75	7	30	31	418

Percentages and totals are based on respondents.

<b>Q12. Do you agree or disagree with the proposals in relation to overcrowding, insanitary or unsatisfactory housing conditions?</b>									
		Are you replying as:							All responses
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation	Other	
Strongly or tend to agree		286	16	6	59	5	19	27	328
		79.7%	69.6%	75.0%	80.8%	71.4%	65.5%	87.1%	78.7%
Neither agree nor disagree		33	1	1	5	0	4	0	38
		9.2%	4.3%	12.5%	6.8%	0.0%	13.8%	0.0%	9.1%
Tend to or strongly disagree		40	6	1	9	2	6	4	51
		11.1%	26.1%	12.5%	12.3%	28.6%	20.7%	12.9%	12.2%

Total	359	23	8	73	7	29	31	417
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Percentages and totals are based on respondents.

Q13. Do you agree or disagree with the proposal regarding the assessment of overcrowded households?									
		Are you replying as:						All responses	
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation		Other
Strongly or tend to agree		209	11	5	44	4	11	21	240
		61.3%	52.4%	71.4%	62.9%	57.1%	42.3%	75.0%	60.6%
Neither agree nor disagree		42	5	2	9	1	2	1	51
		12.3%	23.8%	28.6%	12.9%	14.3%	7.7%	3.6%	12.9%
Tend to or strongly disagree		90	5	0	17	2	13	6	105
		26.4%	23.8%	0.0%	24.3%	28.6%	50.0%	21.4%	26.5%
Total		341	21	7	70	7	26	28	396

Percentages and totals are based on respondents.

Q14. Do you agree or disagree with the proposal for when two families split?									
		Are you replying as:						All responses	
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation		Other
Strongly or tend to agree		241	14	6	46	3	17	21	281
		70.3%	60.9%	75.0%	63.9%	42.9%	60.7%	75.0%	70.4%
Neither agree nor disagree		46	3	1	9	2	6	1	52
		13.4%	13.0%	12.5%	12.5%	28.6%	21.4%	3.6%	13.0%
Tend to or strongly disagree		56	6	1	17	2	5	6	66
		16.3%	26.1%	12.5%	23.6%	28.6%	17.9%	21.4%	16.5%

Total	343	23	8	72	7	28	28	399
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Percentages and totals are based on respondents.

Q15. Do you agree or disagree with the proposal in relation to the ending of joint tenancies?									
		Are you replying as:							All responses
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation	Other	
Strongly or tend to agree		271	15	6	58	4	19	26	317
		77.9%	68.2%	85.7%	81.7%	57.1%	73.1%	86.7%	78.9%
Neither agree nor disagree		53	3	1	7	2	4	3	57
		15.2%	13.6%	14.3%	9.9%	28.6%	15.4%	10.0%	14.2%
Tend to or strongly disagree		24	4	0	6	1	3	1	28
		6.9%	18.2%	0.0%	8.5%	14.3%	11.5%	3.3%	7.0%
Total		348	22	7	71	7	26	30	402

Percentages and totals are based on respondents.

Q16. Do you agree or disagree with the proposal in relation to a medical need to move?									
		Are you replying as:							All responses
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation	Other	
Strongly or tend to agree		304	15	6	60	5	25	27	351
		81.9%	71.4%	75.0%	80.0%	71.4%	86.2%	84.4%	81.8%
Neither agree nor disagree		42	3	1	8	1	1	4	47
		11.3%	14.3%	12.5%	10.7%	14.3%	3.4%	12.5%	11.0%
Tend to or strongly disagree		25	3	1	7	1	3	1	31
		6.7%	14.3%	12.5%	9.3%	14.3%	10.3%	3.1%	7.2%



Total	371	21	8	75	7	29	32	429
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Percentages and totals are based on respondents.

Q17. Do you agree or disagree with the proposal in relation to Disability and Mobility categorisation?									
		Are you replying as:						All responses	
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation		Other
Strongly or tend to agree		259	13	7	53	4	22	24	300
		79.2%	65.0%	87.5%	81.5%	66.7%	88.0%	82.8%	78.9%
Neither agree nor disagree		55	4	1	10	1	2	4	63
		16.8%	20.0%	12.5%	15.4%	16.7%	8.0%	13.8%	16.6%
Tend to or strongly disagree		13	3	0	2	1	1	1	17
		4.0%	15.0%	0.0%	3.1%	16.7%	4.0%	3.4%	4.5%
Total		327	20	8	65	6	25	29	380

Percentages and totals are based on respondents.

Q18. Do you agree or disagree with the proposal in relation to people that can be on an application?									
		Are you replying as:						All responses	
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation		Other
Strongly or tend to agree		267	12	6	52	5	18	25	307
		76.1%	54.5%	75.0%	71.2%	83.3%	62.1%	80.6%	75.1%
Neither agree nor disagree		41	1	0	5	1	5	4	45
		11.7%	4.5%	0.0%	6.8%	16.7%	17.2%	12.9%	11.0%
Tend to or strongly disagree		43	9	2	16	0	6	2	57
		12.3%	40.9%	25.0%	21.9%	0.0%	20.7%	6.5%	13.9%

Total	351	22	8	73	6	29	31	409
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Percentages and totals are based on respondents.

Q19. Do you agree or disagree with the proposal in relation to care leavers?									
		Are you replying as:							All responses
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation	Other	
Strongly or tend to agree		231	9	6	47	4	22	22	263
		72.9%	60.0%	66.7%	74.6%	57.1%	88.0%	75.9%	71.9%
Neither agree nor disagree		72	5	3	15	3	3	6	86
		22.7%	33.3%	33.3%	23.8%	42.9%	12.0%	20.7%	23.5%
Tend to or strongly disagree		14	1	0	1	0	0	1	17
		4.4%	6.7%	0.0%	1.6%	0.0%	0.0%	3.4%	4.6%
Total		317	15	9	63	7	25	29	366

Percentages and totals are based on respondents.

Q20. Do you agree or disagree with the proposal around the challenges to Adult Social Care and Children's services?									
		Are you replying as:							All responses
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation	Other	
Strongly or tend to agree		237	13	8	57	3	23	21	271
		76.5%	68.4%	88.9%	86.4%	60.0%	95.8%	75.0%	75.1%
Neither agree nor disagree		65	5	1	8	2	1	6	79
		21.0%	26.3%	11.1%	12.1%	40.0%	4.2%	21.4%	21.9%
Tend to or strongly disagree		8	1	0	1	0	0	1	11
		2.6%	5.3%	0.0%	1.5%	0.0%	0.0%	3.6%	3.0%

Total	310	19	9	66	5	24	28	361
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Percentages and totals are based on respondents.

Q21. Do you agree or disagree with the proposal to self service online as a default?									
		Are you replying as:							All responses
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation	Other	
Strongly or tend to agree		248	15	6	48	6	14	26	291
		68.7%	68.2%	75.0%	67.6%	85.7%	50.0%	86.7%	70.0%
Neither agree nor disagree		27	4	1	5	0	6	2	32
		7.5%	18.2%	12.5%	7.0%	0.0%	21.4%	6.7%	7.7%
Tend to or strongly disagree		86	3	1	18	1	8	2	93
		23.8%	13.6%	12.5%	25.4%	14.3%	28.6%	6.7%	22.4%
Total		361	22	8	71	7	28	30	416

Percentages and totals are based on respondents.

Q22. Do you agree or disagree with the proposal relating to anti-fraud?									
		Are you replying as:							All responses
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation	Other	
Strongly or tend to agree		334	17	7	67	5	23	29	380
		91.3%	81.0%	100.0%	93.1%	71.4%	85.2%	93.5%	90.0%
Neither agree nor disagree		14	2	0	3	2	1	1	18
		3.8%	9.5%	0.0%	4.2%	28.6%	3.7%	3.2%	4.3%
Tend to or strongly disagree		18	2	0	2	0	3	1	24
		4.9%	9.5%	0.0%	2.8%	0.0%	11.1%	3.2%	5.7%

Total	366	21	7	72	7	27	31	422
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Percentages and totals are based on respondents.

Q23. Do you agree or disagree with the proposal to introduce more rigorous financial checks?									
		Are you replying as:							All responses
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation	Other	
Strongly or tend to agree		310	16	8	67	5	25	27	359
		85.6%	72.7%	100.0%	88.2%	71.4%	86.2%	90.0%	85.7%
Neither agree nor disagree		26	2	0	5	0	2	2	30
		7.2%	9.1%	0.0%	6.6%	0.0%	6.9%	6.7%	7.2%
Tend to or strongly disagree		26	4	0	4	2	2	1	30
		7.2%	18.2%	0.0%	5.3%	28.6%	6.9%	3.3%	7.2%
Total		362	22	8	76	7	29	30	419

Percentages and totals are based on respondents.

Q24. Do you agree or disagree with the proposal relating to an Allocation Plan?									
		Are you replying as:							All responses
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation	Other	
Strongly or tend to agree		239	12	6	48	5	20	21	276
		72.2%	63.2%	75.0%	72.7%	71.4%	83.3%	75.0%	71.9%
Neither agree nor disagree		59	5	0	10	0	3	5	69
		17.8%	26.3%	0.0%	15.2%	0.0%	12.5%	17.9%	18.0%
Tend to or strongly disagree		33	2	2	8	2	1	2	39
		10.0%	10.5%	25.0%	12.1%	28.6%	4.2%	7.1%	10.2%
Total		331	19	8	66	7	24	28	384

Percentages and totals are based on respondents.

Q25. Do you agree or disagree with the proposal regarding the updating of the policy?									
		Are you replying as:							All responses
		A resident	A non resident	A service commissioner	A service provider	Community champion	Community & Voluntary Sector Organisation	Other	
Strongly or tend to agree		255	12	7	58	5	17	28	296
		76.8%	60.0%	87.5%	82.9%	71.4%	68.0%	96.6%	76.5%
Neither agree nor disagree		56	7	1	11	0	6	1	68
		16.9%	35.0%	12.5%	15.7%	0.0%	24.0%	3.4%	17.6%
Tend to or strongly disagree		21	1	0	1	2	2	0	23
		6.3%	5.0%	0.0%	1.4%	28.6%	8.0%	0.0%	5.9%
Total		332	20	8	70	7	25	29	387

## 5. Below is a full list of questions that were asked in the consultation.

Please note the questions are not numbered the same as the questions on the on-line consultation portal.

Q1. Do you agree or disagree with our priorities for the allocation of housing?

Q2. Do you agree or disagree with the changes to the local connection / residency rule?

Q3. Do you agree or disagree with the proposed changes if a person's application is assessed as not having a housing need?

Q4. Do you agree or disagree with the proposal to exclude home owners from the Housing Register?

Q5. Do you agree or disagree with the proposals set out around an income cap?

- Q06. Do you agree or disagree with the proposal regarding rent arrears?
- Q07. Do you agree or disagree with proposal about working positive contributions?
- Q08. Do you agree or disagree with the proposal for the cap on working positive contributions should remain at the current levels?
- Q09. Do you agree or disagree with the proposal in relation to right to buy?
- Q10. Do you agree or disagree with the proposal in relation to people on the housing register who have not made a bid for 12 months?
- Q11. Do you agree or disagree with the proposal in relation to refusing an offer of accommodation?
- Q12. Do you agree or disagree with the proposals in relation to overcrowding, insanitary or unsatisfactory housing conditions?
- Q13. Do you agree or disagree with the proposal regarding the assessment of overcrowded households?
- Q14. Do you agree or disagree with the proposal for when two families split?
- Q15. Do you agree or disagree with the proposal in relation to the ending of joint tenancies?
- Q16. Do you agree or disagree with the proposal in relation to a medical need to move?
- Q17. Do you agree or disagree with the proposal in relation to Disability and Mobility categorisation?
- Q18. Do you agree or disagree with the proposal in relation to people that can be on an application?
- Q19. Do you agree or disagree with the proposal in relation to care leavers?
- Q20. Do you agree or disagree with the proposal around the challenges to Adult Social Care and Children's services?
- Q21. Do you agree or disagree with the proposal to self service online as a default?
- Q22. Do you agree or disagree with the proposal relating to anti-fraud?

Q23. Do you agree or disagree with the proposal to introduce more rigorous financial checks?

Q24. Do you agree or disagree with the proposal relating to an Allocation Plan?

Q25. Do you agree or disagree with the proposal regarding the updating of the policy?

## 6.Organisational responses

The following is a list of organisations who submitted a response the to Council's consultation on the Portal.

### Brighton & Hove City Council respondents

Executive Director Adult Social Care  
BHCC Housing  
Children & Families Worker dealing with homeless families  
Housing Adaptations  
Local government officer – Housing Service Adviser  
Housing Options  
Technical  
Adult Social Care assessment service  
Tenancy Enforcement, Housing  
Senior Housing  
Brighton & Hove Council, Re-housing  
Re-Housing Administrator  
New Steine Mews Hostel  
Housing and Customer First In A Digital Age  
Neighbourhood Team Leader  
Housing Income Management

### Non Brighton and Hove City Council respondents

Rough Sleeper / Single Homeless  
Project Worker BHT  
BHT AFW and Move on Project manager  
Community (Hostel) Manager  
MOSAIC,  
Brighton & Hove Black History,

B&H BHM  
Brighton Homeless Service St John Ambulance  
Mind out LGBT mental health advocate  
COMMUNITY ACTIVIST AND ADVOCATE  
Mind Out  
Kent, Surrey and Sussex Community Rehabilitation Company  
Chairman SHRA  
Director  
Engagement officer and fundraiser  
Youth Advocacy Project  
Drug & Alcohol Outreach Worker  
Leaving Care Personal Adviser  
Housing Support Worker  
Children Centre  
Senior Practitioner - Long Term Condition Management Team  
Social care coordinator  
Advice & Support Worker  
First Aid trainer  
BHT Fulfilling Lives  
Brighton Housing Trust  
Head of Commissioning  
Careers Practitioner  
MH Nurse – NHS  
Wellbeing Service  
Community Links  
Case worker First base  
B&H Police (Sussex Police)  
Community Links Advisor from Southdown  
Volunteer for the Clinical Commissioning Group  
Mental health worker SPFT  
Rise  
Senior social worker adult social care  
Secretary of North Moulsecoomb TRA  
Money Advice Plus  
The Trans Alliance  
Healthcare assistant  
BSUH NHS Trust  
Nightstop Host  
Regional Operations Manager



Community Mental Health Nurse  
Young Carer

The list above shows that the consultation reached a wide variety of organisations both within the council and with other statutory services and a cross section of the community and voluntary sector. It is also noted that responses were received from different levels within each of the sectors from Executive directors to administrators and volunteers.

## 8. List of Registered Social Landlords in Brighton and Hove sent the link to the consultation.

A2 Dominion Spelthorne House, Thames Street, Staines, TW18 4TA info@a2dominion.co.uk
Abbeyfield Brighton & Hove Society Ltd 19 Aymer Road Hove, BN3 4GB
Affinity Sutton Group Maple House 157-159 Masons Hill Bromley Kent, BR2 9HY
AmicusHorizon Ltd PO Box 322 Sittingbourne Kent, ME9 8PQ <a href="mailto:contactus@amicushorizon.org.uk">contactus@amicushorizon.org.uk</a>
Anchor Retirement Housing Milestone Place 100 Bolton Road Bradford, BD1 4DH
Brighton & Hove Almshouse Charity Lanes End House c/o Woolley Bevis & Diplock LLP 15 Prince Albert Street Brighton, BN1 1HY
Brighton & Hove Jewish H.A. Ltd 61 Furze Croft Furze Hill Hove, BN3 1PD
Brighton Lions Housing Society Ltd Lions Gate 95 Rowan Avenue, Hove, BN3 7JZ
Sussex Central YMCA Sussex Central YMCA, Reed House, 47 Church Road, Hove, BN3 2BE email: <a href="mailto:reed.house@sussexcentralymca.org.uk">reed.house@sussexcentralymca.org.uk</a>
Carr-Gomm (Sanctuary)
Chisel Ltd 188a Brockley Rd London, SE4 2RN email <a href="mailto:cto@chisel.org.uk">cto@chisel.org.uk</a>
Hanover Housing Association Hanover House 1 Bridge Close Staines, TW18 4TB

Email <a href="mailto:general.enquiries@hanover.org.uk">general.enquiries@hanover.org.uk</a>
Home Group 3 Cantelupe Mews Cantelupe Road East Grinstead, RH19 3BG
Hyde Group 113-119 Davigdor Road Hove, BN3 1RE Email: <a href="mailto:info@hydemarket.co.uk">info@hydemarket.co.uk</a>
Moat Sevenoaks District Council Offices, Argyle Road, Sevenoaks, TN13 1ZW Email: <a href="mailto:customer@moat.co.uk">customer@moat.co.uk</a>
Orbit South 1-3 The Oaks Little Ridge Avenue St Leonards on Sea, TN37 7UW
Pilgrim Homes 35-36 Egremont Place, Brighton, BN2 0GB
Places for People 3rd Floor, Ivy House, 3 Ivy Terrace, Eastbourne, BN21 4QU Email: <a href="mailto:contactcentre@placesforpeople.co.uk">contactcentre@placesforpeople.co.uk</a>
Porthove Housing Association Ltd c/o Austin Rees Ltd 135-137 Dyke Road Hove, BN3 1TJ Email: <a href="mailto:Contact Porthove Housing Association Ltd.">Contact Porthove Housing Association Ltd.</a>
Raglan Housing Association Ground Floor, Imperial Buildings 68 Victoria Road Horley RH6 7PZ Email: <a href="mailto:hsc@raglan.org">hsc@raglan.org</a>
Rotary Club of Hove Housing Society 135 Dyke Road Hove, BN3 1TJ
Sanctuary Housing Association 45 Church Road Hove, BN3 2BE Email: <a href="mailto:contactus@sanctuary-housing.co.uk">contactus@sanctuary-housing.co.uk</a>
Saxon Weald Saxon Weald House 38-42 Worthing Road Horsham, RH12 1DT Email: <a href="mailto:info@saxonweald.com">info@saxonweald.com</a>
Southdown Housing Association 18 Preston Park Avenue Brighton East Sussex BN1 6HL Email: <a href="mailto:info@southdownhousing.org">info@southdownhousing.org</a>
Southern Housing Group

2nd Floor, Cornelius House, 178-180 Church Road, Hove, BN3 2D
Sussex Housing and Care Ronald Simson House, 24 Sutton Avenue, Seaford, BN25 4LG
Sussex Overseas Housing Society Limited Bishop Hannington Church Office Nevill Avenue Hove, BN3 7NH
Teachers' Housing Association Rugby Chambers, 2 Rugby Road, London, WC1N 3QN email: <a href="mailto:enquiries@teachershousing.org.uk">enquiries@teachershousing.org.uk</a>
Guinness South 3rd Floor, Beluah Court, Albert Road, Horley, RH6 7HP Email: <a href="mailto:gs.mail@guinness.org.uk">gs.mail@guinness.org.uk</a>
Two Piers Housing Co-operative Limited 14 Oriental Place Brighton BN1 2LJ
Worthing Homes Limited Davison House North Street Worthing, BN11 1ER



# Housing Allocation Scheme 2016



Brighton & Hove  
City Council

# Brighton & Hove City Council Housing Allocations Scheme and Guidance

*If you try to obtain accommodation by making a false or misleading statement, by withholding information or by failing to inform us of a change in your circumstances, it is likely that your application will be cancelled. You may also be prosecuted. If you have moved into a council or housing association home, legal action may be taken against you to recover possession of the property. You may also be guilty of a criminal offence and be fined.*

This authority is under a duty to protect the public funds it administers, and to this end may use the information you provide for the prevention and detection of fraud. It may also share this information with other bodies responsible for auditing or administering public funds for these purposes.



**Brighton & Hove City Council**  
**Choice Based Lettings Scheme**

Table of contents will be inserted here

## Introduction

This document is the housing allocation scheme used by the council with effect from XX September 2016. The council is required by section 166A(1) of the Housing Act 1996 to have an allocation scheme for determining priorities and for defining the procedures to be followed in allocating housing accommodation. It is Brighton & Hove City Council's policy to operate a Choice Based Lettings scheme except in certain circumstances laid out within the policy below.

For the purposes of Part 6 of the Housing Act 1996, a housing authority allocates accommodation when it selects a person to be

- a secure (including flexible) or introductory tenant of accommodation held by that authority or
- nominates a person to be an assured (including assured shorthold) tenant of accommodation held by a private registered provider of social housing (PRP) or a registered social landlord.

The nominations to PRPs are made using the same priorities as for allocations to council dwellings where they are made under an obligation of a nominations agreement. However, where nominations are made to properties that fall outside of nominations agreement quotas the council respects the integrity of the lettings policy of the PRPs concerned. The scheme only covers allocations made by the council exercising its housing authority functions. The scheme also applies to existing council and housing association tenants who request an application for a transfer and the council has reason to believe that they have a reasonable preference under s166a.<sup>1</sup>

This scheme meets the requirements set out in Part VI Housing Act 1996 (as amended by the Homeless Act 2002). It also contains flexibilities introduced under the Localism Act 2011. In developing this scheme the council has had due regard to guidance issued by the Secretary of State Communities & Local Government (June 2012),<sup>2</sup> giving reasonable and additional preference to applicants in the greatest need. It incorporates the council's key objectives outlined in the following strategies:

- Housing Strategy 2015
- Homelessness Strategy 2014- 2019
- Tenancy Strategy 2013

## Housing Strategy 2015

The Housing Strategy has some key aims that are directly related to the council's allocations policy. These include

- Develop Access to Settled Homes for homeless households
- Support people to 'downsize' from social housing when they choose.
- Supports our Corporate Parenting commitment to care leavers
- Work with occupational therapists and social workers to ensure that

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<sup>1</sup> Housing Act 1996 s159 (4B)

<sup>2</sup> Allocation of accommodation: guidance for local housing authorities in England (June 2012)

family properties are allocated in a co-ordinated manner.

## **Homelessness Strategy 2014 – 2019**

The Homelessness Strategy is a sub strategy of the Housing Strategy which includes the priorities of homelessness prevention and access to settled homes. There are key priority groups within the homelessness strategy that are afforded reasonable and additional preference these include

- Military Veterans & Serving Personnel
- People with Learning Disabilities & Autism
- People with Physical and Sensory Disability
- People with Mental Health
- People living in Temporary Accommodation

## **Tenancy Strategy 2013**

The Tenancy Strategy has a number of areas that have a direct impact on the council's Allocations Policy that include:

- All Affordable Rent and fixed/flexible tenancies to be advertised through our Homemove choice based lettings system. We also expect that
- All new tenancies will be allocated in accordance with the priorities in our adopted Allocation Policy
- Fixed or flexible tenancies must be for a period of at least five years (or two years in exceptional circumstances)
- The Council would not expect any person to be able to succeed to a tenancy where this would result in a property to be under occupied.

Demand for social housing far exceeds the supply of accommodation that becomes available. Whilst the council remains committed to offering choice<sup>3</sup> to those seeking housing the scheme is also framed to take into account the limited availability of social housing in the city and the need for partner landlords to have an efficient lettings process to reduce letting times and rent loss on vacant properties. This scheme applies across the city and it also compliments the objectives of the Housing & New Homes Committee's New Homes for Neighbourhoods Programme which aims to build new affordable homes across the city. These new homes will be subject to local lettings plans, on first letting, that will be developed to meet demand.

Under the Choice Based Lettings Scheme, called Homemove, applicants are placed into one of four bands that will take account of their housing need according to circumstances of the household. All applicants will become members of Homemove and actively search for available homes. Vacant properties<sup>4</sup> are advertised on Homemove, which is an internet based application. Members are able to bid for properties in their assessed need. Adapted, sheltered

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<sup>3</sup> Housing Act 1996 s166(2)(a)

<sup>4</sup> Housing Act 1996 s166a(2)(b)

and extra care properties will be classified and offered to applicants with an assessed matching need for these properties.

The council is expecting to face a difficult financial environment over the lifetime of this scheme and therefore the scheme incorporates an allocations plan. This allocations plan will distinguish between transfers, homeseekers, homeless households and those where the council has an interest. The allocations plan will be agreed by the Head of Housing with targets for allocations to each of these groups. Targets will be set taking into account the council's statutory obligations, financial considerations and the housing situation across the city, including past performance and projected supply and demand. Targets will be set and agreed in advance and will remain in place until they are reviewed and agreed by the Head of Housing up to a maximum of two years.

## **Equalities & Diversity**

The council's Choice Based Lettings Scheme aims to ensure that our services are fair and equitable for our customers. We want our services to be accessible and useful to everyone regardless of age, disability, gender, race, colour, national origin, sexual orientation or any other factor that may cause disadvantage. This policy is however subject to eligibility and qualifying persons under the Housing Act 1996<sup>5</sup>. Eligibility is prescribed under the act and it is unlawful for the council to allocate to a person who is prescribed as ineligible under the Act. The council has the power to classify if a person is a qualifying person. The council has taken into account its equality duties in framing those that may not qualify to join the Housing Register. This policy has been drafted with reference to the Equality Act 2010 in particular to the council's Public Sector Equalities Duty<sup>6</sup>. The Council has adopted the Commission for Racial Equality's Statutory Code of Practice on Racial Equality in Housing.

Brighton & Hove City Council is committed to dealing with applications in an efficient and timely manner. In order to achieve this aim the council is looking to use self service options on-line. The city council remains committed to help those who will need assistance to access social housing in the City. We will work closely with agencies and supported housing providers to try and assist customers to access this scheme and ensure that information meets the requirements of people with a disability or sensory impairment. The council has reviewed its Housing Vulnerable Person Strategy for meeting the needs of vulnerable people. This will include access points where on-line facilities are available across the city.

This policy has been developed following a city wide consultation and an Equalities Impact Assessment.

## **Joint Housing Register Partners**

Hyde Martlet – [www.hydemartlet.co.uk](http://www.hydemartlet.co.uk)  
Affinity Sutton – [www.affinitysutton.com](http://www.affinitysutton.com)  
Home Group – [www.homegroup.org.uk](http://www.homegroup.org.uk)  
A2Dominion- [www.a2dominion.co.uk](http://www.a2dominion.co.uk)  
Moat Homes Ltd – [www.moat.co.uk](http://www.moat.co.uk)  
Orbit South Housing Association – [www.orbit.org.uk](http://www.orbit.org.uk)  
Places For People – [www.placesforpeople.co.uk](http://www.placesforpeople.co.uk)  
Sanctuary Housing – [www.sanctuary-housing.co.uk](http://www.sanctuary-housing.co.uk)  
Servite Houses – [www.servitehouses.org.uk](http://www.servitehouses.org.uk)

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<sup>5</sup> Housing Act s160ZA

<sup>6</sup> The essential guide to the public sector equality duty January 2012

Southern Housing Group \_ including James Butcher HA) [www.shgroup.org.uk](http://www.shgroup.org.uk)  
The Guinness Trust – [www.guinnesspartnership.com](http://www.guinnesspartnership.com)

## **Our Priorities**

Looking to the future the council has to make some difficult choices as resources reduce. This means that there will be an expected fall in the number of available lettings and the council will therefore have to prioritise how we allocate scarce housing resources within the law and using flexibilities in the Localism Act 2011.

- Those who have a local residence connection with the city
- People that are owed a statutory duty under The Housing Acts, Children’s Act, Children Leaving Care Act and the Care Act.
- Households who have a need to move for welfare or medical reasons that is significantly impacted by their current housing
- Households who occupy accommodation that is overcrowded or lacks facilities
- Households needing sheltered or extra care accommodation
- Households where there is substantial disrepair that cannot be remedied

## **Housing Options**

As you may be aware, there is a shortage of social housing in Brighton & Hove and a huge demand for accommodation. This means that council and housing association properties are not widely available and usually only go to those who are in the most need. Here are some other housing options you may wish to consider

**Help and Advice:** The Housing Options Team is centred on preventing homelessness by offering housing options tailored to individual needs. They can offer specialist housing advice to help you keep your current home, advice for people who need support to live independently and advice on alternative housing options. Phone (01273) 294400 or e-mail [housing.advice@brighton-hove.gov.uk](mailto:housing.advice@brighton-hove.gov.uk) for more information.

**Private Renting:** You can apply to the private rental agencies in the area for suitable accommodation. You may be eligible for help with paying your rent by claiming for housing benefit. Contact Housing Benefits on (01273) 292000 for more information.

**Mutual Exchanges:** The council operates a mutual exchange system for council or housing association tenants who wish to swap their homes. Go to [www.exchangelocata.org.uk](http://www.exchangelocata.org.uk). Or speak to your Landlord.

**Low Cost Home Ownership** - if you are interested in Low Cost Home Ownership then register at <https://www.helptobuyese.org.uk/> or call the bpha Help to Buy Team on 03333 214044 to be considered for new schemes in the city.

## **Who can apply?**

### **Who may apply; eligibility for allocation**

Any person may apply to the council for allocation of housing. However, housing will only be allocated to applicants who are registered on the council's housing register for social housing and to be registered an applicant must be:

- eligible for social housing in England (that is, not ineligible due to their immigration status); and
- a qualifying person for social housing in Brighton & Hove (as determined by the following provisions below of the allocation scheme).

### **Who is eligible for social housing in England**

All applicants will be eligible unless they are persons prescribed within the Housing Act 1996 S.160ZA(1) or by regulations made by the Secretary of State. This generally applies to persons from abroad without settled immigration status in the UK, apart from a limited number of exceptions.

A person will be considered to be ineligible for an allocation of under s160ZA if they are

- (i) A person subject to immigration control – such a person is not eligible for an allocation of accommodation unless they come within a class prescribed in regulations made by the Secretary of State<sup>7</sup> and
- (ii) A person from abroad other than a person subject to immigration control<sup>8</sup>

The Secretary of State has issued regulations in regard to the above and they can be found in Annex 1 of this policy<sup>9</sup>

Where a duty is owed to an applicant who is found to be homeless only by reliance on a household member who is a “restricted person” within the meaning of S184 of the Housing Act 1996, the applicant will not be given any preference under the scheme for an allocation of accommodation. The council will, so far as practicable, bring the duty to secure accommodation to an end by ensuring that an offer of accommodation, in the private sector for a period of at least 12 months, is made to the applicant. A restricted person is defined as someone who requires leave to enter or remain in the UK and does not have it, or a person who does have the required leave but that leave was granted on the condition that the person may not have recourse to public funds.

### **Joint Tenancies, Household Members & Eligibility**

Under s160ZA (1)(b) the council can not grant a joint tenancy to two or more people if any one of them is a person from abroad who is ineligible. Where two or more people apply and one of them is eligible, the council may grant a tenancy to the person who is eligible. In addition, whilst ineligible family members must not be granted a tenancy they may be taken into account in determining the size of accommodation which is to be allocated.

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<sup>7</sup> Housing Act 160ZA(2)

<sup>8</sup> Housing Act 160ZA(4)

<sup>9</sup> Allocation of Housing and Homeless(Eligibility) (England) Regulations 2006 (SI No.1294) ( the eligibility regulations)

## **Changes to eligibility criteria**

The Secretary of State may issue regulations at any time under the Housing Act 1996. Local Authorities are notified of any such changes by way of statutory instruments, approved by Parliament. Eligibility criteria changed by primary or secondary legislation will form part of this scheme from the date any such changes come into force without the need to refer any changes to committee.

## **Existing Tenants & Eligibility**

The eligibility provisions do not apply to applicants who are existing tenants who are already secure or introductory tenants or assured tenants of a Private Registered Provider<sup>10</sup>

## **Not Eligible decision.**

If an applicant is not eligible to register under s160ZA Housing Act 1996, the Homemove Team will notify the applicant in writing giving the reasons for the decision. The decision will contain the right of review that must be requested within 21 days of the notification. The council will not accept requests for a review after 21 days except in exceptional circumstances. For further information please see reviews.

## **Who qualifies for social housing in Brighton & Hove?:**

### **Criteria for being a qualifying person**

This section sets out the criteria that must be met for applicants to qualify for social housing in Brighton & Hove. Decisions made on whether a person is a qualifying person are made by the assessment officer. Any such decision as to whether a person is a qualifying person has a statutory right of review. Any such review shall be carried out by a person with higher seniority than the decision maker in line with the Statutory Reviews procedure (see below). Any request for a review must be made within 21 days of the decision.

Applicants are able to apply for social housing within Brighton & Hove if they are eligible and “qualifying person”. Brighton & Hove is a high demand area where demand for social housing is in excess of supply.

To be a qualifying person for an allocation of social housing in Brighton & Hove and be (or remain) registered on the council’s housing register for social housing, an applicant, or one of joint applicants, must:

- (a) Be eligible for an allocation of housing accommodation (as determined by law and set out above, that is, not ineligible due to immigration status); and
- (b) Be 18 years old or over unless they are subject to statutory homeless duty, a statutory successor (no age restrictions apply), a non statutory successor under the relevant policy in place at the time or referred by the council’s social care services (in which case they must be over the age of 16). Applicants under the age of 16 will only be offered accommodation in certain circumstances (see below).

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<sup>10</sup> Housing Act 1997 s160ZA(5)

- (c) Have a household income that is no greater than the household income threshold set by the Housing & New Homes Committee and in place at the time the decision on qualification is made; and
- (d) Live in the Brighton & Hove City Area<sup>11</sup> and have lived in the area continuously for the five years immediately preceding the date they make their application for housing and continue to reside in the Brighton and Hove City Area unless any of the following circumstances apply:
- (i) They are homeless and the council has accepted a full duty to them under the Housing Act 1996 S193(2) that has not yet ceased;
  - (ii) The housing department has accepted a nomination for the applicant from the council's children's services or adult social care department or other approved partner support agency in line with inter-agency agreements, to the Council's Interest queue who has been placed outside of Brighton & Hove under a statutory duty and need to return to the city.
  - (iii) They are serving in the regular forces<sup>12\*13</sup>;
  - (iv) They have served in the regular forces\* where the application is made within five years of discharge.
  - (v) They are serving or have served in the reserve forces\*\*<sup>14</sup> and are suffering from a serious injury, illness or disability, which is attributable (wholly or partly) to that service;
  - (vi) They have recently ceased, or will cease, to be entitled to reside in accommodation provided by the Ministry of Defence following the death of their spouse or civil partner where their spouse or civil partner has served in the regular forces
  - (vii) The council has agreed to rehouse them under a reciprocal agreement with their current landlord or local authority where their current landlord or local authority has agreed that, if Brighton & Hove houses them, they will house an applicant nominated by Brighton & Hove Council;
  - (viii) The Council has accepted an application for an existing Secure or Assured tenant seeking to transfer under the right to move scheme<sup>15</sup>
  - (ix) Rehousing/relocation into Brighton & Hove is accepted by the council as being essential in the furtherance of the National Witness Protection Scheme.

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<sup>11</sup> Providing social housing for local people Statutory guidance on social housing allocations for local authorities in England

<sup>12</sup> Definitions (S374 Armed Forces Act 2006):

<sup>13</sup> \* The 'regular forces' means the Royal Navy, the Royal Marines, the regular army or the Royal Air Force.

<sup>14</sup> \*\* The 'reserve forces' means the Royal Fleet Reserve, the Royal Navy Reserve, the Royal Marines Reserve, the Army Reserve, the Territorial Army, the Royal Air Force Reserve or the Royal Auxiliary Air Force.

<sup>15</sup> Allocation of Housing (Qualification Criteria for Right to Move) (England) Regulations 2015 (SI 2015/967) ('the qualification regulations 2015')



- (x) Applicant accepted under a reciprocal arrangement with another local authority or registered social landlords where there is an agreement to house or nominate an applicant referred by Brighton & Hove City Council.

### **Exemptions for temporary absence from the local authority area.**

A person may cease to reside in the Brighton & Hove City Council area for a temporary period in the following circumstances and not lose their local connection for the purposes of the allocations scheme.

- A. An applicant receiving hospital or other treatment outside of the city area in a treatment centre who is required to vacate their accommodation or is evicted from accommodation and is ready to return to the area.
- B. A person who is required to move to give care to another person, outside of the city, for a temporary period not exceeding 6 months.
- C. A person who loses their accommodation and is unable to find alternative accommodation in the city immediately but then returns to the city within a six week period. This will apply to applicants who have obtained local connection or who are building up their local connection with the city.
- D. Applicants who are placed on remand by the courts will not have any time placed outside of the city whilst on remand. If a person is released without conviction the time spent on remand will be discounted. If a person is convicted following a period of remand the sentence will be used to determine if local connection is removed. If a person is convicted for a period of over 13 weeks then local connection will be lost

A person who has obtained accommodation outside of the city under a contract, either written or verbal will not be considered to have maintained continuous residence in the city area for the purpose of the local connection criteria.

For avoidance of doubt Local Connection for the purpose of the allocations scheme does not include the wider definitions of Local Connection contained in Housing Act 1996 Part VII s199.

For the purposes of determining local connection, living in Brighton & Hove will not include the following:

- Occupation of a mobile home, caravan or motor home which is not placed on an official council approved site or other council approval obtained (toleration on unauthorised sites is not included)
- Occupation of a holiday letting which includes a permanent building, hotel or bed and breakfast accommodation of the purposes of a holiday
- Resident in a bail hostel or other such accommodation
- In-patients of hospitals/specialist centres
- Rough sleeping/squatting

## **Who is not a qualifying person**

This section sets out the circumstances in which applicants who meet the criteria set out above will nevertheless not be qualifying persons for an allocation of social housing in Brighton & Hove. The criteria below will apply to all applications but may, in exceptional circumstances, be waived at the discretion of the Homemove Manager or more senior officer in the housing department. Where an assessing officer considers that exceptional circumstances may apply, they will refer the application to the Homemove Manager or more senior officer to decide whether the criteria in this section should be waived.

## **Persons who do not qualify on grounds of behaviour**

Applicants will not qualify for social housing in Brighton & Hove and be (or remain) registered on the council's housing queues if any of the following circumstances apply:

- (a) The council is satisfied that they have, within the preceding 10 years, obtained or attempted to obtain housing or other housing related services/welfare benefits /public funds, from any public body in the UK, by making a false or misleading statement or withholding information, or encouraging someone else to do so on their behalf;
- (b) The council is satisfied that the applicant is unlikely to satisfactorily manage the tenancy and /or pay their rent because, for example:
  - (i) they have been evicted due to anti-social behaviour (including, but not limited to domestic violence and abuse, homophobic, transphobic abuse and/or noise nuisance) or rent arrears;
  - (ii) they have been served, within the last year, with a notice for breach of their tenancy conditions;
  - (iii) another person who shared a property occupied by them left because of the applicant's violence/abuse or threats of violence/abuse against them or a person associated with them;
  - (iv) they or a member of their household have a history of anti-social behaviour (including domestic violence/abuse and noise nuisance);
  - (v) they have a record of failure to pay rent<sup>16</sup>;
  - (vi) they have outstanding debt liabilities to the council and are not making satisfactory arrangements to repay those debts<sup>17</sup>.
  - (vii) they are a person who has been removed from a premises subject to a closure order under the Closure of Premises (Anti-Social Behaviour, Crime and Policing Act 2014)
- (c) Where an applicant or member of the household has been found guilty of a criminal offence including theft, assault, criminal damage, robbery, possession or supply of drugs, burglary and fraud, sexual assault or other criminal behaviour a person may not be eligible, or may be removed, for a period no longer than the period that an offence becomes spent under the Rehabilitation of Offenders Act 1974. Each case will be considered on its merits<sup>18</sup>.

<sup>16</sup> Rent arrears will not include any payment of Housing Benefit paid in arrears

<sup>17</sup> Debt repayment plans are in place and have been kept for at least 6 months and continue to be kept until cleared or at the point of offer.

<sup>18</sup> R (YA) v Hammersmith and Fulham LBC [2016] EWHC 1850 considered

## **Persons who do not qualify on grounds of home ownership etc**

Under s160ZA Housing Act 1996 the council is only allowed to allocate to an eligible and qualifying person. The Code of Guidance recommends that local authorities should avoid allocating social housing to people who already own their own homes. If the council were to allocate social housing this should only be in exceptional circumstances.

Applicants who own their own homes will be provided advice and guidance on other housing options. Decisions will be made on a case by case basis and medical, disability, community care and other relevant needs will be taken into account.

Applicants will not qualify for social housing in Brighton & Hove and be (or remain) registered on the council's housing register if:

- (a) they own or jointly own accommodation (including shared ownership accommodation) in the UK or elsewhere<sup>19</sup>, or have a legal right to occupy accommodation in the UK or elsewhere (other than as a tenant or licensee) unless they satisfy the council that it would not be possible and reasonable for them to:
  - (i) occupy the accommodation; or
  - (ii) sell or let the accommodation in order to obtain suitable accommodation; or
- (b) the council is satisfied that they have equity and/or savings that it would be possible and reasonable for them to use in order to obtain suitable accommodation.
- (c) Where there are medical, disability, community care or other relevant needs applications will be considered under the following circumstances:
  - a. Where it is not possible to adapt the current accommodation to meet the needs of the owner occupier's medical/disability or
  - b. Where it is too expensive to adapt the existing accommodation to meet the needs of the owner occupier's medical/disability and they cannot afford to buy or rent suitable alternative housing, including shared ownership or private retirement housing and
  - c. The sale of the property would not enable the owner occupier to purchase or rent an alternative property suitable to meet their needs. This would include shared ownership. purchase or renting outside of Brighton and Hove all will be a factors in reaching the decision.

Where a person or member of the household disposes of a property the equity received at the point of sale will be taken into account for the purposes of a financial assessment (see below). Equity that is received will be counted as income/savings in line with the policy below.

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<sup>19</sup> Follows Housing Act 1996 s175

## **Person who does not qualify following disposal of property, purchased under the Right to Buy, Council and Registered Providers.**

Where an applicant or member of the household has purchased a property under the right to buy and has disposed of this asset by way of sale or gift to any other person the applicant will not qualify to join the housing register for a period of five years following the disposal of the property. Following this period the household's income will be taken into account in line with financial limits contained in this policy below.

## **Persons who do not qualify on the grounds of sufficient resources to accommodate themselves**

The council is permitted to take into account the financial resources available to an applicant to meet their own housing need. The following will not qualify to join the housing register.

An income financial assessment will be carried out. If a household's income exceeds the following amounts they will not qualify to join the housing register

Studio/One Bedroom	£30,000
Two Bedroom	£55,000
Three Bedroom or above	£60,000

Income will be calculated taking account of all adults on the application and include income from working and any other income regardless of its source.

In addition to the cap on income, account will be taken of any savings or investments that the household has to enable them to source accommodation. The level set will be

Studio/One Bedroom	£3,000
Two Bedroom	£5,000
Three Bedroom and above	£7,500

Where income/savings is derived from the sale of any assets such as a house then the council will assume that this sum is available as part of the financial assessment. If an applicant deliberately deprives themselves of capital or income in order to qualify for housing, they will be treated as still having it for the purpose of the financial assessment. Where a person is treated as having "notional" capital this amount may be reduced on a monthly basis to take into account living costs such as rent, council tax and other general outgoings until the notional capital is less than the financial caps under this policy. Deliberate deprivation includes gifted money to relatives and friends and payments to third parties that do not form part of authorised loans that are regulated by the financial services authority.

## **Increase in income and savings levels**

The above financial limits will be increased on an annual basis using the increase in the consumer price index each year that is used by central government for increases in welfare benefits. Any increased levels will be approved by the Assistant Director – Housing. This increase will not be subject to ratification by the relevant council committee.

## **Carrying out financial checks**

The council will carry out checks, including credit checks, on any member of the household, who are included, on the application with the applicant in order to determine household income and savings levels. Financial checks may apply to any part of this policy, which requires such an assessment, including at the offer of accommodation stage. Income is derived regardless of source and will include income from earning, savings and welfare benefits.

The council will not take into account the following in assessment of savings or income:

Any members of the armed forces recently discharged from the forces with a payment due to injury or disability, unless there is an award towards resolving their housing costs.

Disability Living Allowance or personal independence payments or any other replacement benefit for the above.

## **Persons who do not qualify on grounds of refusing a suitable and reasonable offer**

Applicants will not qualify for social housing in Brighton & Hove and be (or remain) registered on the council's housing register if they have refused any offer of suitable accommodation within the last two years made or arranged by the council and there has been no material change in their circumstances so as to make the earlier offer clearly unsuitable in the light of the applicant's changed circumstances.

## **Persons who do not qualify on grounds of being an applicant with no recognised housing need**

Applicants will not qualify for social housing in Brighton & Hove and be (or remain) registered on the council's housing register if the council is satisfied, once the application has been assessed, that they are suitably housed, that is, they have no recognised housing need under the council's Housing Allocation Scheme.

## **Exceptional Circumstances**

There may be occasions not predicted by this allocations scheme where the applicant is deemed not to be a qualifying person and accordingly following a person having requested a review of the decision (see reviews) not to include an applicant on the basis of not being a qualifying person, the reviewer may exercise discretion not to invoke the policy in exceptional circumstances. Each case will be considered on its merits. Applicants will have to demonstrate why the case is exceptional in each case.

In circumstances not predicted by the allocations scheme where, the applicant is not deemed to be a qualifying person and has not requested a review, the council may look to exercise discretion not to invoke the policy if the applicant can demonstrate that there are exceptional circumstances. Each case will be considered on its own merits

## **Non Qualifying application decision.**

If an applicant is not a qualifying person under this policy, the Homemove Team will notify the applicant in writing giving the reasons for the decision. The decision will contain the right of review that must be requested within 21 days of the notification. The council will not accept requests for a review after 21 days except in exceptional circumstances. For further information please see reviews.

## **Data Protection and rights to information**

We aim to provide excellent customer service to applicants using or seeking to use the Housing Register. This includes a right to confidentiality and right to certain information.

### **Right to confidentiality**

We will not divulge (without their consent) information about a housing applicant. This includes the fact that they are an applicant<sup>20</sup>.

### **Right to Information**

An applicant has the right to see information<sup>21</sup> held about them on the Housing Register. This is known as a subject access request (SAR). We will provide this information within 40 days of a written request of the applicant a charge of £10 will be payable for a copy of this information.

After we have completed a full assessment, we will inform an applicant about their priority on the Housing Register.

We will provide information, through the Homeseeker guide and Sussex Homemove website, about property types they are eligible for.

We will provide, through Sussex Homemove website (<http://www.homemove.org.uk/>), feedback information<sup>22</sup> about the lettings undertaken so that the applicant can estimate the length of time they are likely to have to wait before being rehoused. This will be provided when the result of a letting is known by the council.

We will inform an applicant if they have been given any priority status on the Housing Register<sup>23</sup>.

An applicant has the right to request that we inform them of any decision about the facts of their case which is likely to be, or has been, taken into account in considering whether to allocate housing accommodation to them<sup>24</sup>.

The applicant has a right of review against any decision we make about their application. Their right to review is set out below in this policy<sup>25</sup>.

We will publish a summary of the Allocations Policy on the council's website and provide a copy of this summary free of charge to any member of the public that requests it.<sup>26</sup>

We will publish the full copy of this Allocations Policy on the council's website and make it freely available for any person to inspect at Bartholomew House, Bartholomew

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<sup>20</sup> 166(4) of the Housing Act 1996 as amended by the Homelessness Act 2002

<sup>21</sup> 166A (9) of the Housing Act 1996 as amended by the Homelessness Act 2002

<sup>22</sup> 166A (9)(ii) of the Housing Act 1996, as amended by the Homelessness Act 2002.

<sup>23</sup> section 166A(a)(i) of the Housing Act 1996

<sup>24</sup> Housing Act 1996 section 166A (9)(b) as amended by Section 16 of the Homelessness Act 2002

<sup>25</sup> Housing Act 1996 section 166(9)(c) as amended by Section 16 of the Homelessness Act 2002.

<sup>26</sup> Section 168 (1)

Square, Brighton. A person may request a copy of the full policy. A reasonable fee will be payable for this service<sup>27</sup>.

### **Who can apply?**

The Housing Register is open to people who are eligible and qualify under this policy and are 16 years old or over although applicants under the age of 18 will only be offered accommodation in certain circumstances (see below).

### **Existing Social Housing Tenants & Joint Tenants**

#### **Existing Social Housing Tenants**

Any secure council tenant or any assured tenant of any of the council's partners in the joint housing register living in the city may join the housing register if they are a qualifying person.

The council will not normally make an offer of accommodation to a transfer applicant where the tenant is in breach of their tenancy resulting in

- A valid Notice of Seeking Possession or suspended order for rent arrears.
- Housing Act Injunction, Anti Social Behaviour Order, Notice of Seeking Possession for other breaches to the tenancy.

Tenants will also be asked to join the Exchange Locata mutual exchange register. This register contains the details of tenants who are looking to swap their home with someone else. Mutual exchanges can be found in the city and elsewhere if people are looking to relocate to other parts of the country. There are restrictions for mutual exchanges such a size criteria or for those in rent arrears. For further information please contact Housing Centre Services.

#### **Joint tenants**

Applications for transfers can only be considered from joint tenants where both tenants are moving. If one of a joint tenant is requesting a transfer then the existing joint tenancy issues must be resolved before the application can proceed. Applications will be suspended until the tenancy issues are resolved and then any banding will be backdated to the date of the application. Joint tenants will be required to obtain independent legal advice on determining the joint tenancy.

#### **How to apply**

All Homeseekers requesting rehousing and tenants requesting transfers **MUST** complete an application to be put onto the housing register. Applications can be made on-line at <http://www.homemove.org.uk/> . Information is available on this scheme in a number of different languages <http://www.homemove.org.uk/otherlanguages.aspx> . If you are unable to complete an on-line application because you do not have access to the internet you can get on-line free of charge at the following venues in the city

Customer Service Centre Bartholomew House

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<sup>27</sup> Section 168 (2)



Customer Service Centre Hove Town Hall  
Coldean Library  
Hangleton Library  
Hollingbury Library  
Hove Library  
Jubilee Library  
Mile Oak Library  
Moulsecoomb Library  
Patcham Library  
Portslade Library  
Rottingdean Library  
Saltdean Library  
Whitehawk Library  
Woodingdean Library

Brighton & Hove has a digital inclusion project called Digital Brighton & Hove that has a list of all free access points across the city. Digital on-line can also offer free places in Brighton and Hove to get online or improve your skills like searching, security, email, social media, form-filling, finding jobs, shopping and paying bills.

<http://digitalbrightonandhove.org.uk/>

Digital Brighton & Hove can also assist those with no knowledge how to begin to get on line.

If you need help completing an on-line application you can contact the Customer Assessment and Advice Team on 01273 294400 Option 1

If you are housebound you may request that a member of staff assists you to make a telephone application or in exceptional circumstances you may request a home visit for someone to help you. For further information please see our Vulnerable Person Strategy.

### **Who can be included on the application?**

#### **Applications for General Needs Accommodation.**

Demand for social housing in Brighton & Hove is extremely high. As a result the city has to ensure that it makes best use of accommodation and that it is allocated to those in need.

The following may be included on a person's application

- Applicant who is an eligible and qualifying person.
- Applicants Husband, Wife, Civil Partner or someone with whom they cohabit.
- All dependent children under the age of 18, children of the applicant, husband, wife civil partner who are currently living with the applicant or could reasonably be expected to live within the household and residence is 100% of the time.

- This can apply to households that are split households who are not able to live together because they do not have accommodation.
- Normally other people who can be included on the application must be members of the applicant's immediate family who usually reside and have done so for a period of six months prior to the application. Any other person or persons will only be accepted as part of the applicants household in circumstance in which is reasonable for the person or person to reside with the applicant.
- A carer where the applicant can prove that a 24 hour is essential and currently lives with the applicant or there is an identified person not currently living with the person and there is a risk that the applicant may have to go into residential care if the carer is not living with the applicant.

### **People who cannot be included on the application**

People that cannot be included on a person's application include

- Lodgers
- Anyone subletting from the applicant.
- People flat sharing not in a relationship (joint tenants)
- An adult applicant may not appear on more than one application for the allocation of housing simultaneously<sup>28</sup>.
- Children who do not reside with the applicant and who have accommodation with another parent, guardian, foster carer. This includes households with shared custody where there is available accommodation for the child/ren

### **Under 18s & Under 21s**

#### **Under 18s**

Applicants who are eligible and qualify under the allocation scheme who are under 18 may register under the allocations policy. Although we will not usually offer them a property until they are over 18. In the event that there is an urgent housing need, a further assessment will be carried out and we will work with the individual to find the most suitable accommodation to meet their need. An offer of permanent accommodation will only be made if the council is satisfied that: the young person is able to live independently; able to sustain a tenancy; and has an identified package of support available to them.

#### **Exemptions**

An applicant who is entitled to succeed to a tenancy by virtue of Housing Act 1985 s87 (as amended) will be granted a tenancy by way of succession.

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<sup>28</sup> Someone with own application cannot also be on a transfer application.

## **Under 21s**

The government has proposed to withdraw automatic housing cost for people under the age of 21. The introduction of the Youth Obligation, with its tougher conditionality, and the removal of “automatic entitlement” to housing support for 18-21 year olds It is expected that the provisions will include an element of working or learning in order to qualify for Housing Benefit (or housing element of universal credit). The policy will be updated to comply with any statutory scheme introduced by government without the need to refer to committee..

### **Considerations for assessment.**

#### **Assessment of Needs**

Officers will assess applications in line with this policy taking account of all available information provided by the applicant together with any information that is available to the assessor from any other source, such as Housing Benefit, Council Tax, Electoral Register, Land Registry searches and any credit checks used to confirm residence or income.

#### **Best use of accommodation**

Assessment of accommodation will be carried out using “best use” of accommodation that is available based on the number of occupants in a property and the number of rooms. The assessment will use the overcrowding standard when assessing on this criteria.

#### **False or misleading information**

Section 171 Housing Act 1996 makes it an offence:

- To knowingly or recklessly make a statement which is false in a material particular; or
- To knowingly withhold information which the authority has reasonably required an applicant to give the council in connection with dealing with their application.

The council may request supporting documentation in relation to any application from any member of the household to determine if a person is an eligible or qualifying person. It may request details in order to assess the application. This may include information including financial, medical, employment or voluntary contribution, property ownership or disposal of a property or any other material that may be required from time to time to allow the council to reach a decision under the policy.

Failure to provide the requested information may lead to the application being suspended for a period. Failure to continue to provide any information will lead to the applications being cancelled. Any applicant or third party person submitting information under this policy may be liable to prosecution.

Any person found to have supplied false or misleading information will have their application cancelled.

## **Application and assessment process**

Applications from Homeseekers, transfers and the council's interest queue will be required to complete a housing registration form on-line at [www.brighton-hove.gov.uk/homemove](http://www.brighton-hove.gov.uk/homemove)

Applications from accepted homeless applicants will be copied over from their homeless application and will not be required to complete an application form. For the purposes of fraud or misleading information any information contained on the homelessness form will be considered under this policy.

The council will have four queues contained within this policy. These will be:

- Homeseekers - general waiting list applicants
- Homeless - Accepted Homeless under full housing duty s193(2)
- Transfer applicants – existing tenants of Brighton & Hove City Council or registered housing provider with a nomination agreement with the council
- Council's interest queue – Quota arrangement with council or other statutory services

## **Application Process**

Applicant(s) will be required to provide a passport size photograph of each applicant(s) and each member of the household over the age of 18.

Any applicant applying on-line will receive a letter that gives a **provisional band** automatically. This will allow the applicant to bid on properties while their application is being verified. Any provisional band may be changed once information has been received and the applicant will be given a band on their assessed need.

Once applications are received and a person is deemed an eligible and qualifying applicant the Homemove Team carry out an initial housing needs assessment based on the information contained on the application form and other information available. The Homemove Team will have access to other data contained in other council departments such as Housing and Council Tax Benefit. Should the Homemove Team be unable to carry out a full assessment due to the lack of available evidence the highest band that the application can achieve is Band C. The Homemove Team will write to the applicant to request additional information required to fully assess an application.<sup>29</sup>

Information that is required is stated on the on-line application form on each screen. This information will be summarised at the end of the on-line application. A full and final assessment can only be carried out once the requested information is provided. Should a request for information not be complied with a second request<sup>30</sup> for information will be sent. If this second request is not complied with the application will be cancelled. If an application is cancelled the applicant will be notified in writing. The notification will give the applicant the right to a review not to be included on the housing register. This right

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<sup>29</sup> FINO

<sup>30</sup> FINO reminder

of review must be requested within 21 days of the notification. The council will not accept requests for a review after 21 days except in exceptional circumstances. For further information please see reviews.

Any application that is received on a paper form will be assessed in the same manner as those received on-line. This however may take longer to process than those received on-line.

Following the applicant submitting an application this application will firstly be assessed to see if a person is:

- Eligible
- A qualifying person

Applicants will need to provide information to prove that they are an eligible person. This proof will be in the form a passport or other acceptable form of identification for all persons on the application.

If a person proves that they are eligible then the council will look to see if they are a qualifying person in line with the policy above. Information may be required to ascertain if a person qualifies under the allocations policy to be included as a qualifying person. This will include proof of residence or any other consideration contained in the policy.

If the person is eligible and a qualifying person the application will be assessed taking account of the relevant information supplied by the applicant. Checks will be made where necessary to verify any information that is received. This may include, but not limited to, housing benefit, council tax records, electoral registration and household financial checks.

### **Bedroom size assessment**

Each application will be assessed to determine what size of property an applicant is entitled to. The assessment will be based on the following unless there is a medical requirement for an extra bedroom on the basis of medical or disability related factors.

Size	Minimum People	Maximum People	Example Types of Household
Studio	1	1	Single Person
One Bed	1	2	Single Person or childless couple
Two Bed	2	4	One to two child family or single person with live in carer
2 bed Sheltered	2	3	A single person/couple and live in carer
3 Bed	3	6+ depending on Size	Two or more children (different sex over the age of 10)
Four Bed	4	8+ depending on Size	Five or more children

## **Applicant with children following a family breakdown.**

As the council has a very limited supply of social housing the council is not able to offer an applicant additional bedrooms where the children have accommodation with the other parent. A person in this situation who is eligible and a qualifying person may be offered a one bedroom property to allow occasional access arrangement. This aligns the allocations policy with Housing Act 1996 Part VII<sup>31</sup>

## **Medical Assessment**

Medical priority is assessed by the Homemove Team and is based on the information supplied on the on-line or a self assessment medical form. Medical priority is not awarded solely on a person's medical condition. There is a need to show that there is an impact of the person's current housing circumstances along with the medical condition. If there is insufficient details on the on-line application or self assessment medical form, applicants may be requested to provide additional details before a full assessment can be undertaken.

Assessments are made on the effect of present housing considering the health condition of the member or anyone in the household (who is/are moving) and not on the medical condition alone. In reaching the decision we will consider whether the overall effect on the household (who is/are moving) or any member of the household (who is/are moving) is sufficient to warrant one of the medical priority bands.

The Homemove assessment officers have access to the council's Medical Advisor who can advise on the medical conditions and the impact of on the person's housing conditions to assist them in their decision making of when to award medical priority. The Medical Advisor must be requested to provide advice on the need for an extra bedroom over and above that an application is entitled to under this policy. The Medical Advisor may also make recommendations in relation to any mobility classification.

A medical assessment may be requested by applicants where a medical condition occurs after they have made an application. This will be assessed as above where the medical condition is having an impact based on their current housing conditions.

Medical awards can be made as follows:

### **Band A**

Overriding (severe and immediate) medical priority awarded by the assessor where there is a **need to move** - where the housing conditions are having a severe and immediate adverse effect on the medical condition of the applicant or member of the current household as to warrant emergency priority.

### **Band B**

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<sup>31</sup> Holmes-Moorhouse v London Borough of Richmond Upon Thames considered

High (major) medical priority awarded by the Medical Advisor –where there is a **need to move** where the housing conditions are having a major adverse effect on the medical condition of the applicant or member of the current household as to warrant extra priority.

### **No award**

Where a person does not meet the criteria to be awarded Band A or B then no award will be made under this policy. There must be an identified **need to move** in order to justify this priority.

### **Medical Assessment Accepted Homeless Case**

Where the council receives a request for a medical assessment for a person who the council has placed into temporary accommodation under s188<sup>32</sup> or s193<sup>33</sup> the request will be referred to the Housing Options Team<sup>34</sup> for a suitability assessment. If the Housing Options Team find that the accommodation is either suitable or that an alternative accommodation can be found within a reasonable time then there will be no medical priority awarded. The applicant will be notified of the decision by the Housing Options Team. The applicant will have the right to request a review of the suitability assessment under Part VII. If the Housing Options Team find that the accommodation is not suitable and no other accommodation can be found then the case may be passed to the Homemove manager to agree the case to be placed into Band A.

### **Assessment for accommodation in Mobility Groups.**

All properties adapted for disabled people will be advertised across all bands. Properties will have a mobility classification as below and priority will be given to those with a matching need for a property that is advertised.

Properties will also be advertised with notes where the potential for adaptations or further adaptations exists and any further restrictions applicable.

### **Mobility Groups**

Irrespective of the band assessment, where a member, or one of the household, has a substantial and permanent physical disability which may place them in mobility groups 1,2 and 3 (see below) the Homemove Team work with the Occupational Therapist Team, A report on their housing needs may be requested before any award is made. Taking into account the recommendations of the report the Homemove Team will place the member in one of the following mobility groups:

Mobility Group 1 – Typically suitable for a person who uses a wheelchair full time, i.e. indoors and outdoors. The property will provide full wheelchair access throughout.

Mobility Group 2 – Typically suitable for a person with restricted walking ability and for those that may need to use a wheelchair some of the time. The property will have

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<sup>32</sup> Housing Act 1996 Part VII

<sup>33</sup> Housing Act 1996 Part VII

<sup>34</sup> This is to ensure that there is consistent assessment of our statutory duty under Housing Act 1996 s210

internal and external level or ramped access, but some parts of the property may not be fully wheelchair accessible.

Mobility Group 3 – Typically suitable for a person able to manage two or three steps, may use wheelchair but not full time, or may be unable to manage steep gradients. The property may have adaptations to assist people with limited mobility.

Where a disabled applicant applied for accommodation which does not meet his or her access needs, the council will take into account whether it is reasonable and practicable to adapt that property when assessing the offer consistent with our duties under Equalities Act 2010 and the Housing Grants, Construction and Regeneration Act 1996 and also whether it would meet the housing need. On occasion accommodation offers may be withdrawn from a case where the housing need would not be met.

Mobility cases will be banded under the medical awards above unless there is a minor need to move in which case the case may be awarded Minor Need to Move Band C (mobility).

### **Unsatisfactory housing conditions and overcrowding. (Homeseekers only)**

#### **Unsatisfactory housing conditions**

The Homemove team may refer an application to the council's Private Sector Housing Team where there are major issues with regards to the condition of the property. A case will only be referred if the person agrees to work with the Private Sector Housing Team and any recommendations that are made. These referrals will require the Private Sector Housing Team to make contact with the relevant landlord or managing agent who is responsible for the property. Any applicant who withholds consent for the Private Sector Housing Team to contact the Landlord or Agent will not be eligible for a banding assessment under this policy. Following any inspection of the applicant's property if there is any required intervention and there is no prospect of this being completed within 6 months the following banding awards will apply:

Unsatisfactory housing conditions as confirmed after a visit from the Private Sector Housing Team and classed as a category 1 hazard(s) that cannot be rectified within 6 months (as assessed by the Private Sector Housing Team using the HHSRS (Housing Health and Safety Rating System (part 1 HA 2004)) will be awarded Band B.

If the works required are completed before an offer of accommodation is made then these priority award will be removed. Awards in this category will be reduced by up to one band if it is considered that the applicant has moved into accommodation that is not suitable to meet their needs or if the applicant refuses to cooperate with any works required.

#### **Overcrowding**

Where the property is deemed to be 'statutorily overcrowded' by the Private Sector Housing Team under Part X of the 1985 Housing Act and there are no practicable means to make the property suitable for the number of occupants within a reasonable time period the applicant will be placed in Band A. Applicants will be placed in Band B if they lack two or more bedrooms and Band C if they lack one bedroom below these minimum provisions



An independent adult (18 years+)	1 bedroom, including a bedsit or studio
Co-habiting couples	1 bedroom, including a s/c studio
A dependent child	1 bedroom
Two children of opposite gender where one is aged over 10 years	2 bedroom
Two children of the same gender (any age)	1 bedroom

Please note that if there is a second reception room it will generally be deemed to be available for use as a bedroom and box room, which can reasonably be used by a child, will count as a single bedroom.

**Assessment for full time carers (only given when caring from someone outside of your household)**

If a person who is eligible and a qualifying person and the prime applicant(s) provide care in an area of the city, the priority may be applied for in the area in which they provide the care (bids will only be considered within one square mile surrounding the household your are caring for). Carers must have been providing care to a named person for a continuous period of at least six months up to the point of application and the same at the point of offer. Care in this context is not the provision of child care. Care must be related to a physical, mental or learning disability.

**Proof required for full time care priority**

The prime applicant(s) must provide proof that full time care is required (this will be in the form of a care assessment from Adult Social Care or Children’s Services). A copy of the person welfare benefits DLA with care or mobility component or PIP and Carers allowance that is being paid. We will also require a letter for the person/people receiving care. If the care status changes whilst on the Housing Register or at the point of offer it is up to the prime applicant(s) to inform the Homeless Team immediately of the changes.

**Assessment for person with carer not required to live in full time.**

Someone that has an occasional need for a carer will not automatically be awarded an additional bedroom. If a person is currently occupying a one bedroom property then this will be assessed as being suitable as the occasional carer can be expected to sleep in the living room on an occasional basis.

Other cases will be considered on their merits and based on the facts of each case. There is however a severe shortage of social housing and the council and its partners have to ensure that this is used to its maximum potential. Any need for an occasional carer will need to be assessed as required and evidenced as part of a care plan before it can be considered in line with the assessment for a live in carer.

### **Accepted Homeless Applicants**

Accepted Homeless households owed the main duty by Brighton & Hove City Council under s193 of the 1996 Act or s.65 of the 1985 Act will be placed in the following bands **only**

#### Band A

- Accepted Homeless households owed the main duty by B&HCC, placed in temporary accommodation where the landlord requires the property back or the property is unsuitable<sup>35</sup> to meet the applicant's or a member of the household's needs, and where the household have been assessed as ready to manage independent accommodation and no other temporary accommodation can be sought.

#### Band C

- Accepted Homeless households owed the main duty by Brighton & Hove City Council placed in B&B or short term temporary accommodation.
- Accepted Homeless households owed the main duty by B&HCC making their own temporary arrangements or suffering family split due to a genuine lack of accommodation.
- Accepted Homeless households occupying temporary accommodation on an assured short hold or non-secure

### **Care Leavers & Care Leavers leaving supported accommodation**

Priority will be awarded to care leavers where Brighton & Hove City Council has a Corporate Parenting role. Care leavers will be given priority under this scheme under the care leaver protocol into Band A if they are deemed to be tenancy ready.

If the young person is not deemed to be ready to manage an independent tenancy and are offered a supported housing placement then they will awarded Band A once there is an agreement from Housing and Children's services that the young person is tenancy ready. There will be a six months bidding time and at the end of this time the Homemove Team will start to bid for the applicant until a suitable offer is made. No Band A will be given without a full support package in place and the applicant is ready for social housing.

### **Leaving Supported Accommodation**

In some case where a household is living in support accommodation funded by Brighton & Hove City Council , an assessment of housing need will take place. If the outcome of the assessment is that the household is not ready for independent general needs accommodation, as they are deemed not to be ready to manage an independent tenancy but need supported accommodation, then they will not be able to access general needs housing.

Households are supported in this accommodation and their skills and abilities are thoroughly assessed to ensure that they are ready to make steps to greater

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<sup>35</sup> Suitability assessment required under Housing Act 1996 Part VII

independence. Supported accommodation is designated as accommodation commissioned and funded through Adult Social Care (Housing).

When these households are ready to move on from supported accommodation reasonable preference will be awarded when a household is assessed as ready to move to independent settled housing on the recommendation of the supported accommodation Key Worker.

If any ongoing support needs are assessed and, and where appropriate, a support plan must be put in place. This means that only a household who is ready to manage a tenancy will be able to access social housing. The assessment will take account of being able to manage a tenancy, have no rent arrears, have no record of anti social behaviour in the last 9 months, and demonstrate that they have completed a life skills course.

## **Sheltered Housing**

Applicants can apply for sheltered housing using the Housing Registration Form or can be referred by a relative, support worker, GP, or by the Medical Advisor recommending sheltered housing. Generally applicants or at least one of joint applicants must be over 55 years old.

The council and housing association partners have a variety of sheltered accommodation specifically for an older community where it has been agreed that a housing and support need is called for. Applicants will be required to complete a support needs form. This form will be assessed and presented to the sheltered accommodation panel.

On receipt of an application for sheltered housing, the Homemove Team will register the application and place it in the relevant housing and support need band. These are:

- High
- Medium
- Low

## **Social Welfare Considerations**

Band A – Severe Need Authorised by the Senior Homemove Officer (or above) where members are in ‘severe need’, who would otherwise be placed in Band B, has needs which when assessed cumulatively are deemed to warrant emergency priority as to warrant them being placed in Band A (Three or more band reasons from Band B)

Band B – Multiple Needs – Authorised by the Senior Homemove Officer (or above) where an applicant who would otherwise be placed in Band C, has needs which when assessed cumulatively are deemed to be so severe as to warrant them being placed in Band B (three or more band reasons from Band C).

Band B – Enabling Fostering/Adoption – Where social services make a recommendation that permanent accommodation be provided to enable someone to

foster or adopt a child, if the Homemove Team agrees this then the applicant will be placed in band B. This is only accepted with the full support of Brighton & Hove Council Children's Services.

Band C – Other social welfare/hardship – Households who need to move to a particular area in the city where failure to meet that need would cause hardship e.g. to give or receive care or support.

Band C – Delivering a Care Plan – This is where accommodation is required to assist Brighton & Hove City Council's Social Services in delivering a Care Plan (eg moving the member nearer to the source of care and support or to accommodate a carer), or to relieve other social/welfare hardship as agreed between Social Services and Housing.

### **Other priority categories (applicable to transfer applicants only)**

#### **Band A – Priority Transfers**

Agreed in exceptional circumstances by the Homemove Manager and Housing Manager where there significant insurmountable problems associated with the tenant's occupation of a dwelling and there is imminent personal risk to the tenant or their family if they remain in the dwelling.

Where the Homemove Manager and Housing Manager agree a non-urgent management transfer Band B will be awarded.

#### **Band A – Moving for major works**

Awarded to transfer applicants if their property is imminently required for essential works and the tenant cannot remain in the property. Although the council will encourage and assist such tenants to make bids through the Homemove system we recognise that we have a duty to provide suitable alternative accommodation and will make a reasonable bid within the necessary timescale.

#### **Band A is awarded to facilitate a tenant's move in one of the following circumstances:**

- Make best use of adapted sock – for example where providing adaptations in the current property is not feasible but there may be a suitable alternative property available as agreed under Tenants Incentive Scheme(TIS).
- Statutory successors to a property who are required to move due to the person under-occupying a property
- Non-statutory successors – approved by Tenancy Services, Housing Options and the Homemove Team for an offer of suitable accommodation
- Enable tenants under occupying family accommodation or adapted property they no longer require, to move to smaller accommodation or alternative accommodation under the Transfer Incentive Scheme (information on this scheme can be requested from Housing Customer Servces). Under occupiers who do not qualify for this scheme will be placed in Band C

- Retiring council and HA employees, e.g. Sheltered Scheme Managers, Residential Estate Wardens where the council or HA has a contractual obligation to house

Band B is awarded to facilitate a tenant's move for the following circumstance:

- Ex-tenants returning from institutions, e.g. rehabilitation where a commitment has been made in order to secure the relinquishment of a council or HA tenancy on entering the institution.

### **Transfer Incentive Scheme (TIS)**

The TIS is a popular and successful route for many households, wanting to downsize to smaller flats from larger family homes they no longer need.

The TIS is available to council tenants who move out of a family size unit of accommodation and move to another area or into an affordable and sustainable private sector property of at least 12 months duration.

The table below shows the payment amounts (before any deductions)

Downsizing by one bedroom	£1,000
Downsizing by two bedrooms	£1,500
Downsizing by three bedrooms	£2,000
Downsizing by four bedrooms	£2,500
Moving from a wheelchair-adapted property, even if the same size	£1,000

The scheme to also include tenants moving from not just fully wheelchair adapted properties, but also partially adapted properties they no longer need (graded Mobility 2), to non-adapted, non-mobility rated properties. This is because there are very few fully wheelchair adapted properties in our council stock, but many that have been partially adapted (e.g. with level access showers, ramps).

It should be noted that some Housing Association Tenants can qualify for the Priority Banding but that the payments listed above are for Council tenants who have held standard tenancies for at least 12 months.

A person may only receive one payment under TIS

The TIS is a cash limited fund and applications may be refused if there are insufficient funds to make payments in any one financial year. A person who is refused on the basis of lack of funds may reapply to the scheme in future years.

Payments of the above amounts will be reduced if there is any remaining balance on the applicants rent account or if there are any amounts owing to Housing Benefits or any recharges following the ending of the tenancy. These amounts will be calculated by Tenants Service Income Management Team

Offers of accommodation may be restricted to council offers only if an applicant will still have any arrears or housing benefits overpayment to ensure that this may be recovered by the income management team

## **Council Interest Queue**

### **BHCC Children's Services Nominations under quota arrangements – Band A**

Under two schemes: 1. The Divert Scheme, which has been designed to prevent children being looked after by the Local Authority, and 2. General Social Services Nominations as agreed at Head of Service level.

### **BHCC Children's services Nominations early intervention – Band B**

The Homemove Manager agrees with social service an annual quota for housing client who would not be able to meet the criteria under the policy for Band B but is considered that the early intervention would enable the family to move forward with limited social care involvement.

### **BHCC Adult Social Care Nominations under quota arrangements - Band A**

The Homemove Manager agrees with Adult Social Services an annual quota for housing clients in housing need designed to enable the person to live independently in the community and have been assessed under a care plan to be able to sustain an independent tenancy. This quota can comprise of either general needs or sheltered accommodation (agreed by sheltered panel).

### **Care leavers Protocol – Band A**

Applications will be dealt with under the care leavers protocol for applications from BHCC Care leavers team for those deemed to be tenancy ready. The Council's Children's services will inform the Housing Department of expected demand for accommodation each year so the housing department may include this demand in the Council's interest queue.

### **Extra Care Housing.**

Extra care housing is specifically designed for applicants who have specific need of housing and support. Applicants can apply for this type of accommodation but applications will only be assessed for extra care housing if this is supported by a Social Worker working for Brighton & Hove City Council.

Applications for extra care are considered by the Extra Care Panel. This panel will look at the support needs to ensure that best use of this type of accommodation is made. Extra Care Housing deals with a range of support levels and allocation to Extra Care Housing may take account of the needs of existing residents in prioritising applicants.

Extra Care Housing in Patching Lodge and New Larchwood is restricted to applicants or one of joint applicants who are 55 years of age.

Extra Care Housing at Vernon Gardens and Brookmead will be open to applicants who are normally over 55 years old although applications can be considered under the age restrictions on a case by case basis. Applications may be refused if the balance of these schemes changed by the number of applicants under 55 as they are designed to meet the needs of older people.

## Other

### Witness Protection – Band A (Homeseekers queue)

The Homemove Manager agrees with NWMS (National Witness Mobility Service) an annual quota for housing clients in housing need.

### Banding structure

**Banding can only be awarded if an applicant is an eligible and qualifying person as outlined above.**

The four priority bands are:

<b>Band A</b>	Overriding (severe and immediate) priority awarded by the homemove assessor after seeking advice from the Medical Advisor – where a person needs to move as the housing conditions are having a severe and immediate adverse effect on the medical condition of the applicant or a member of the applicants current household as to warrant emergency priority
	Armed Forces personnel, or their spouses, with an urgent level of housing need who current serving members of the Armed Forces required to leave their accommodation or who have left within the last five years <sup>36</sup>
	Social Services nominations under the quota arrangements
	Witness protection nominations under a quota arrangement agreed by the National Witness Mobility Service
	Accepted homeless households owed the main duty by Brighton & Hove City Council and placed in temporary accommodation where the landlord requires the property back or the property is unsuitable to meet the applicants or member of the household's needs, and where the household have been assessed as ready to manage independent accommodation and no further accommodation can be sought as agreed by the Temporary Accommodation Allocations or Homemove Manager.
	Transfer applicants under-occupying family sized accommodation qualifying for the Transfer Incentive Scheme.
	Transfer applicants who are statutorily overcrowded and this overcrowding has occurred by family growth or two families joining together.
	Transfer applicants needing permanent or temporary decants where the property is imminently required for major repair.
	Where the property is deemed to be statutorily overcrowded by the Private Sector Housing Team under Part X Housing Act 1985 and there is no practicable means to make the property suitable for the number of occupants within a reasonable time period the applicant will be placed into Band A subject to a person intentionally overcrowding a property (see below).
	Priority Transfers, agreed in exceptional circumstances due to significant and insurmountable problems associated with the tenant's occupation and there is imminent personal risk to the household if they remain. This may include, but not be limited to, Domestic Violence, Racial Harassment, Homophobic, transphobic, bi-phobic abuse or harassment.

<sup>36</sup>(Additional preference for former armed forces personnel) (England) Regulations 2012

	Leaving a mother and baby unit funded by Brighton & Hove City Council who has successfully completed the support placement and requires a move.
	Statutory successors who are under occupying the tenancy where the council has grounds for seeking possession by offering suitable alternative accommodation. (This category will not be considered under the TIS scheme).
	Retiring council employees, e.g. Sheltered Scheme Managers, Residential Estate Wardens where the council or Housing Association has a contractual obligation to house the applicant.
	Care leavers – where Brighton & Hove are the corporate parent to the applicant and there is agreement from the Homemove Manager and professional colleagues within the council, this priority is not valid for care leavers where the corporate parenting role is held by another authority.
	Non statutory successors – where agreement has been provided by Tenancy Services and it is agreed that the applicant would be considered to be in priority need, as agreed by the Housing Options Service, and the council would therefore have a statutory duty to accommodate the person but the council considers that the property is too large to meet their needs.

<b>Band B</b>	Severe overcrowding – household lacking two or more separate bedrooms. This assessment may be qualified if a person is seen to have caused the overcrowding intentionally. (See below)
	Management Transfers – agreed by Housing Management for transfers on management grounds that do not satisfy the grounds of a Priority Transfer above. This will be agreed in consultation with the Homemove Manager.
	High (Major) priority awarded by the homemove assessor after seeking advice from the Medical Advisor – where a person needs to move where the housing conditions are having a major adverse effect on the medical condition of the applicant or a member of the applicants current household as to warrant emergency priority
	Ex-tenants returning from institutions e.g. rehabilitation, hospital – where a prior commitment has been made in writing in order to secure the relinquishment of a council or HA tenancy on entering the institution (this may also be considered for a person admitted under section in an emergency situation that would otherwise have been agreed on notice).
	To enable fostering or adoption – where agreement is reached to provide permanent accommodation or foster care arrangements on the recommendation from Brighton & Hove City Council Children and Families Service.
	Social Services nominations under the quota arrangements into Band B used as a preventative measure but does not warrant an emergency move under Band A above.
	Unsatisfactory housing conditions as confirmed after a visit from the Private Sector Housing Team and classed as a priority 1 hazard(s) that cannot be rectified within six months (as assessed by the Private Sector Housing Team using the HHSRS (Housing Health and Safety Rating System (part 1 Housing Act 2004))).
	Multiple needs that warrant high priority – applicants whose needs match more than three of the priority reasons from the Band C considered cumulatively (by the Homemove Manager are deemed to be so severe as to warrant being placed in a higher priority band.



<b>Band C</b>	Armed Forces personnel, or their spouses, with an urgent level of housing need who were former members of the Armed Forces who have left the service for more than five years <sup>37</sup>
	Moderate Overcrowding – households lacking one separate bedroom
	Council and housing association tenants under-occupying that do not qualify for the Transfer Incentive or Tenants Support Schemes.
	Accepted homeless households owed the main duty by Brighton & Hove City Council placed in temporary accommodation.
	Accepted Homeless households owed the main duty by B&HCC making their own temporary arrangements or suffering family split due to a genuine lack of accommodation. These temporary arrangements cannot be from the property that a person is considered homeless from.
	Unsanitary conditions that cannot be addressed by the Private Sector Housing Team within a reasonable time scale. Unsanitary conditions are lacking one or more of the following an inside WC or a bathroom or no access to cooking facilities.
	Applications for sheltered accommodation where there is no higher need (must have a support need) allocation to general needs accommodation will not be accepted under this band reason.
	People who need to move to a particular area in the city where failure to meet that need would cause hardship, e.g. to give or receive support.
	An applicant where a household is living in support accommodation funded by Brighton & Hove City Council and has been assessed as ready to leave supported accommodation.
	Council and Housing Association tenants who are seeking to transfer and who need to move from another local authority district to be closer to work, or to take up an offer of work and the council is satisfied that the relevant person has a genuine intention of taking up the offer of work.
	Minor Need to Move (mobility).

<b>Band D</b>	Any applicant who has applied to the council and who's application has been demoted from any other band to enable an investigation to take place on their application on the basis of false and misleading information.
	Key workers
	Applicants required to be on the Housing Register of the purpose of obtaining shared ownership. These applicants may only be assessed for the above purpose and will not receive an allocation of social housing or be nominated to a Housing Association.

### **Notification of assessed application**

Once assessed the application will be placed in the appropriate bedroom, mobility category and Band and awarded a priority date (see priority date). The Homemove Team will write to the applicant to inform them of the following:

- Registration Number
- Priority date
- Priority Band

<sup>37</sup> (Additional preference for former armed forces personnel) (England) Regulations 2012

- Band reason under the policy
- Bedroom size
- Medical assessment (if applicable)
- Mobility assessment (if applicable)
- Support Need – for sheltered (if applicable)
- Extra Care –(if applicable)

PLEASE KEEP THIS NOTIFICATION IN A SAFE PLACE AS YOU WILL NEED YOUR REGISTRATION NUMBER IN ORDER TO PLACE BIDS ON PROPERTIES.

These notifications will advise applicants that they have the right to see information held on the application under the Freedom of Information Act (subject access request). If they consider any information is inaccurate they may request that the information is corrected.

## **Reviews**

Applicants have a right of review on any decisions made under this policy in line with the provisions of the Housing Act 1996 Part VI. The notification will contain details of how to request a review. A request must be requested within 21 days of the decision. Requests for a review out side of the 21 day period will only be considered on an exceptional basis. There is no right to second review of the same decision. (See Reviews)

## **Change of circumstances/ moving**

Housing register assessments are based on an applicant's current circumstance. If you move it is the applicant's responsibly to inform the council. This can be done on the on-line change of circumstances form on the homemove web site. You should inform us if you wish to add or remove someone from your application. Adding someone to your application will be considered in line with the allocations policy above. A person may not appear on two applications at the same time.

Homeless applicants may have to be assessed to see if it is reasonable to add someone to their application. Having a child will automatically be approved. You should inform us if you wish a person to be removed from your application. We are not able to remove the main applicant from an application. If you do not wish to move with the main applicant you will need to make a new application.

Once an application has been re-assessed on the change of circumstances/moving a notification will be issued if there is any change to the applicants banding.

Applicants who have changed their accommodation will be reassessed on their new circumstances. Medical and mobility may also be reassessed. If your new property is suitable to meet your needs this may be reflected in a change to your banding.

## **Re- registration**

All homeseeker and transfer applicant must complete a review form to stay on the Housing Register once every 12 months. If you are sent a notification you will have up to six weeks following your registration anniversary date to return the form. If an applicant does not comply with this reregistration process the application will be cancelled and the applicant will be removed from the Housing Register. Applicants will be informed that they have been removed from the register and will have 21 day to appeal against this decision. (See reviews)

## **Closing of housing register applications & removal from the register**

Once a household has been moved via the homemove scheme it will be deemed that the housing need has been met and therefore the housing application will be automatically be closed. If there are other applications from the same address that are impacted by the household being moved i.e. overcrowding, then these applicants will be reassessed. If a household is moved by the scheme into council accommodation then the information contained in their file will become available to the as part of the tenancy file.

If a person is moved to one of the partner registered providers then the information may be passed to the registered provider to form part of their tenancy file.

The council will hold a copy of any application that is closed for a period of six years from the date that it is closed. After this date the council will destroy any information relating to the application. If a person reapplies within the six year period and is subsequently removed from the Housing Register then the time period will run from the date that the later application is removed.

## **Re-assessing need and priority dates**

The council may review all applications annually. If an applicant's circumstances change, at any time, they may be moved up or down the bands depending on their need.

All applicants must inform the Homemove Team immediately when their circumstances change. If any change results in a band change, the homemove will write to inform the applicant of the new band, their priority date, if applicable, and of their right to request a review of this decision. The principal of the scheme is that no one should overtake existing applicants in a Band.

## **Moving up a Band**

If an applicant moves up a Band their priority date will be as follows:

- Overcrowding due to the birth of a child. Date that information is received
- Priority or Management Transfer – date as agreed by the Housing Manager
- For Private Sector Housing Team reasons the date the decision is received from the Private Sector HousingTeam.

- For Social Services nominations, the date request is received from Social Services
- Medical reasons, the date the information is received into the Homemove Team.
- Homeless Households, the date the duty was accepted by Brighton & Hove City Council.
- All other Band changes, the date the information is received.

### **Moving down a Band**

If an applicant moves down a band, then their priority date will revert to the date that applied when the applicant was previously in that band, or an earlier date in a higher Band.

### **Multiple Needs**

As part of the assessment of an applicant's needs, those applicants who have a range of needs will be identified. These cases will be assessed to identify those applicants whose needs, when considered cumulatively, are deemed to be so severe as to warrant them being placed in a higher band. Where such exceptional circumstances exist and a higher priority band is thought appropriate the Homemove officer will, having fully considered the details of the case, forward their recommendation to the Senior Housing Needs Officer to seek authorisation that the applicant be placed into a higher priority band. The applicant will be notified of the decision of the Senior Housing Needs Officer and if this is refused the applicant will be notified and given the right of review. (See Reviews)

### **Circumstance that result in reduction of Band awarded.**

The council may reduce a person's Band award if there are indications that a person has moved into accommodation knowing that this accommodation is not suitable to meet the needs of their household. This will include moving into studio accommodation that causes statutory overcrowding and moving additional people into accommodation knowing that this will cause severe overcrowding. This is to ensure that applicants do not use the Housing Register to be housed over and above others that have waited to be accommodated. The Band reason may be reduced by one Band.

### **How does the council advertise properties?**

#### **Allocations Plan**

The council is facing a number of challenges and has to provide services with reduced resources. In order for the council to meet these challenges the council requires the allocation of social housing to be flexible. The applications will be assessed and be placed into one of four queues. These are

1. Homeseeker
2. Transfer
3. Homeless
4. Council's interest (care leavers and other agreed quotas)

The council will formulate an allocation plan each financial year that prioritise the proportion of lettings to each queue. The allocations plan will be based on the performance of the last financial year to take account of the number of lettings required to each of the above groups. This will be enable the council to balance the ongoing pressures and at the same time allow it to meet it statutory obligations, for example to discharge its homeless duty or to provide stable housing for some one leaving care or other commitments within children and adult social care.

The allocations plan must ensure that it still meets the requirements to those that are assessed as having a reasonable or additional preference. The allocations plan will be agreed by the Head of Housing each year and provide up to a certain level of lettings to each of the four queues.

The allocation plan will be applied to all adverts for properties that are available to let on the homemove scheme. Priority will be given to applicants in the allocated queue. If there are no successful applications from within the advertised queue then the property will be allocated in accordance with the allocation policy to an applicant in one of the alternative queues in priority order.

### **Advertising available properties**

The council uses Sussex Homemove <http://www.homemove.org.uk/> to advertise all properties that are available. Full details on how to bid are set out in the scheme user guide. The council will advertise properties in one of four queues, selected by the landlords, in accordance with the allocations plan (see above). These are:

- Transfer
- Homeseeker
- Homeless
- Council's interest

You may bid on properties in any of the queues; however priority will be given to applicants within the advertised queue before other applicants will be considered. You will be notified which queue you have been allocated to in your assessment letter. Other eligibility criteria will be laid out in the adverts for each property, such as

- The minimum and maximum number of persons in the household
- If there are age limits of households without young children
- The mobility group, if applicable, and details or potential for adaptations
- If pet are allowed
- Whether it is sheltered or extra care housing
- Who the landlord is ( either council or housing association)
- The minimum and maximum weekly charge<sup>38</sup> including any other charges

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<sup>38</sup> Housing & Planning Act 2016 pay to stay regulations

## **Security of Tenure & Fixed Term Tenancies**

The council has a Tenancy Strategy that lays out the expected security of tenure; Council tenancies will be issued as introductory tenancies. Housing Associations will normally issue a starter tenancy. Under the Localism Act 2011 and Housing & Planning Act 2016, landlords may offer different types of tenancy, which could be either a lifetime tenancy or a tenancy with a fixed number of years (that is then renewed if you are still in need).

New tenants will normally be given a 12 month starter or introductory tenancy before a longer tenancy is allowed. Existing tenants transferring will usually keep the same type of tenancy when moving.

The advert will clearly state which tenancy applies to that property. More information is available in landlords' respective Tenancy Policies.

Under the Housing and Planning Act 2016 it will be compulsory for all new council tenancies to be offered for a fixed term of between two and ten years. This Policy may be amended to comply with any future legislative provisions that have been passed that impact the council's ability to let properties on a fixed term basis and to align it with its Tenancy Strategy.

## **Housing & Planning Act 2016**

The Housing & Planning Act 2016 has introduced measures that will affect the levels of rents that will be charged. Any applicant(s) will be subject to a financial assessment. This assessment will look at the financial means of the household. All income must be disclosed on this assessment including income from any source of employment, saving, income from any other source including bank accounts. Any person who do not disclose all income may be withholding information that they should disclose and may be committing an offence under s171 Housing Act 1996.

The council will make such enquires into the financial details of any applicant and any other member of the household as required to under the Housing & Planning Act 2016. This may include credit checks on bank accounts and any other financial transactions that the person have had including any mortgages for example.

## **Size of property you can bid for**

An assessment of your housing need is made and you will be informed of the size of property you can bid for, please see the table below for guidance.

Size	Minimum People	Maximum People	Example Types of Household
Studio	1	1	Single Person
One Bed	1	2	Single Person or childless couple
Two Bed	2	4	One to two child family or single person with live in carer
2 bed Sheltered	2	3	A single person/couple

			and carer
3 Bed	3	6+ depending on Size	Two or more children of different sex over 10 years old
Four Bed	4	8+ depending on Size	Five or more children

In deciding the appropriate size of a property the age and gender of the children within the household are considered for example a male and female child where one is over 10 years are not expected to share a bedroom. Therefore some two child families are eligible for a two bed property and others with two children are eligible for a three bedroom property.

Extra bedrooms applicants may apply for extra bedrooms by submitting medical and or mobility information. This medical or mobility needs will have to be very high to meet the requirements of being awarded an additional bedroom.

### **Homeless applicants and property size**

In cases where households have been accepted as homeless under Part V11 Housing Act 1996 and have been awarded the relevant band, a household may bid for accommodation that falls outside of the above criteria if it has been assessed that the property is reasonable for the households needs. The offer will discharge the council's duty under Part VII Housing Act 1996.

### **In addition:**

- Where there is overriding medical need to support the request the council will allocate households up to one additional bedroom over the standards set above
- No applicants can bid for properties that would result in overcrowding or under-occupation
- Where a household is moving to smaller accommodation, they may be entitled to assistance under the Transfer Incentive Scheme
- If there are no eligible bidders over 50 years of age where an age restriction applies, applicants under 50 without children will be considered.

### **The bidding process**

Eligible applicants can make bids for properties advertised, by telephone bidding or by bidding online via the website. Applicants can also nominate a proxy bidder, and in exceptional circumstances request that the council bid on their behalf (assisted bidding). Full details of how to bid are set out in the Scheme User Guide, which will be sent out to all new applicants and is available on the website [www.homemove.org.uk](http://www.homemove.org.uk).

Applicants with support needs and those who have difficulty with written English will be supported by an appointed support provider or the Homemove Team.

Applicants who urgently need to move and who do not bid for properties may receive a direct bid. (see 'Direct bidding').

All bids for a property are checked against the eligibility rules, for example any age restrictions or size of property. Ineligible bids are excluded from consideration. We will

provide advice and support to applicants who regularly bid for properties they are not eligible for.

Applicants can bid for up to a maximum of three properties they are eligible for. NO bids can be placed on any available property after a shortlist deadline. Applicants are not required to place all three bids at the same time. Shortlists will be created within three working days for housing associations properties.

Council tenancies will be shortlisted once the Housing department has notified Homemove that the property is vacant and ready for letting. Successful applicants will be contacted as soon as possible by the landlord. Homemove are not responsible for the letting process this is carried out by the landlord.

The shortlist sent to the landlords will include the three applications that are eligible for the property in accordance with the scheme. These will be:

- Top applicant
- 1<sup>st</sup> reserve candidate
- 2<sup>nd</sup> reserve candidate

If an applicant is the top applicant in any shortlist then they will still be able to place bids on other properties. However while the applicant is waiting to view the property they will not be considered for any other properties until the result of the offer is known. If the property is unsuitable then the applicant will be able to resume bidding. If the property is refused and deemed suitable the application will remain suspended until the result of the review is known.

If none of the shortlisted applicants accept the property then this will then be offered to the next eligible applicant and this will continue until the end of the shortlist. If no applicants accepts the property this will then be re-advertised.

### **Changes to advertising, shortlisting, selection and offers**

The council is in the process of tendering for a new IT system to underpin the assessment and allocation of social housing. This policy may be updated, without the need to refer changes to committee, to reflect changes that are made with any new IT system in how properties are advertised, shortlisted or offered to applicants and to reflect any enhancements that may be available that increases customer choice, such as automated bidding mobile apps or any enhancements that reduce property void times such as daily or continuous bidding so long as it does not make changes to eligibility, qualifying persons, local connection or exemptions agreed in the policy.

### **Detection of fraud**

The council is obliged to ensure that offers of a social housing tenancy are only awarded to those that are entitled to be offered the accommodation. Housing is a valuable community asset and unfortunately is sometimes obtained fraudulently. The council is committed to improving our detection of fraud and reducing our losses from fraud.



Fraud is an act of deception intended for personal gain or to cause loss to another party. The harm caused by fraud is not just financial; it causes harm to local people. It can include:

- Failure to disclose information - for example providing false information on the housing application.
- Abuse of a position that is carried out to make personal gain - for example someone using their knowledge of council policies and procedures to gain advantage such as gaining access to a council service.
- False representation – Someone submitting false information on your behalf that is untrue and designed to increase the chance of an applicant obtaining housing.

Before the shortlist is passed to the landlord the Homemove team will pass the successful candidates to the Council's Corporate Fraud Team who will carry out any necessary checks in relation to the application. These checks will include cross checking against council records, financial checks (including any bank accounts held), check with other local authorities or checks with utility and mobile phone companies.

If any information comes to light that contradicts any information held by the Homemove Team in any respect then the council will by-pass any application on the shortlist and may continue to investigate an application. If any fraud is found to be true then the applicant will be informed of the council's decision and removed from the Housing Register. If the information is not correct then the application will be reinstated. Offers of accommodation will not be held open if the case is suspected of being fraudulent or during an investigation.

Once an offer has been made the applicant has the choice to refuse the property. If they refuse they may be able to bid again the following cycle, there are exception to this and 'refusals' further in this scheme should be considered. If an applicant is an Accepted Homeless Band A case and refused a successful bid (irrespective of bidding deadlines) then the Housing Options Team and the Homemove Team may consider that this is a full discharge of duty. Any accepted homeless case considering refusing a part 6 offer should contact the Housing Options Team before formally refusing a property

### **The Selection Process**

All eligible bids for each property are placed in priority order. Priority is decided first on the advertised queue and then by the priority band, thirdly by priority date within the band. Where a property has been advertised to give preference to a mobility group, bids from these applicants will be prioritised in band order above bids from members who are not in that stated group. Every bid will be assigned a random number when the bid is made. This number is used to resolve a tie; the highest number gets the priority. If there are no eligible bidders for a property the Homemove Team may decide to re-advertise the property.

If the property is owned by a housing association, the prioritised list will be referred to the landlord.

To minimise delays all landlords may arrange multiple viewings for up to three applicant households per property. Applicants will be required to bring proof of identity (for example Driving Licence or Passport) to the viewing. For general needs housing, the Rehousing will:

- Contact the applicant using the telephone or e-mail contact provided; applicants are responsible to keep homemove updated of any changes to contact details. Any contact details that are not kept up to date may result in an applicant being by-passed on a shortlist.
- Offer the applicant the option to accept and invite to sign for the tenancy or agree a decision within 24 hours
- If the applicant chooses to refuse, the Rehousing Officer will note the reasons for the refusal and the next applicant is selected for an offer. Applicants will be offered one offer of suitable accommodation to meet their housing needs, except in certain circumstances contained in this policy. Properties are not kept open if they are refused.
- Applicants who do not provide proof of identity at the viewing will be given 24 hours to provide proof at a council office prior to signing for the tenancy, if this is not provided there is the chance the offer may be withdrawn and the case referred back to the Homemove Team for investigation
- Once an offer of accommodation has been accepted the Housing Application will be closed by the Homemove Team or the Rehousing Team
- A failure to respond to an offer or viewing will be deemed for the purposes of this policy as a refusal. A failure to contact the Rehousing Team following a viewing will also count as a refusal.

If the property is considered to be a sensitive let any issues surrounding this will be discussed with the incoming tenant prior to a tenancy being granted. If a property is considered to be a sensitive let and an applicant refuses the property this will not count as a suitable offer of housing.

### **How shortlisting takes place**

Offers will normally be made to applicants at the top of the shortlist. In very exceptional circumstances we may need to reject an applicant on the shortlist for a particular property to ensure that we meet the following objectives:

#### **To ensure that communities are as balanced as possible**

Landlords may adopt Local Lettings Plans for specific areas. These plans will need to be agreed by stakeholders and Brighton & Hove City Council and will consider the problems that need addressing, backed up by evidence. Properties subject to Local Lettings Plans will be clearly advertised and priority will be given to those that meet the agreed criteria.

#### **To ensure that allocations are sensitively made**

In exceptional cases, for housing management reasons, we may not offer to the person at the top of the shortlist. You will be contacted by the landlord in writing with the reasons for this decision. Any property that requires a “sensitive let” will be notified to the Homemove Team before it is advertised. Any person that requires a sensitive let will be notified as part of the assessment process.

### **To make best use of the council’s stock and to reduce under occupation**

From time to time a property may be advertised for those who are releasing larger council accommodation or reserved for those who need to move urgently because the council is undertaking work on the property

### **To ensure properties are let quickly**

This is important to minimise rent loss and empty property turn around time. Applicants must be available and able to take up an offer of accommodation, applicants will be contacted by telephone or e-mail or in certain cases by letter, and if there is no contact after three days then the offer will be withdrawn and counted as a refusal.

If an offer is not made to the applicant at the top of the shortlist, the reasons will need to be agreed by the Homemove Manager in line with this policy.

### **Time limits for bidding for properties**

There is a three-month time limit for bidding for the following categories of applicants (except where otherwise noted):

- Social Services nominations under quota arrangements
- Witness Protection nominations under a quota arrangement and agreed through the National Witness Mobility Service
- Reciprocal letting arrangements with another landlord or local authority
- Accepted homeless households owed the main duty by Brighton & Hove City Council Band A
- Accepted Homeless Household in Band C who are not bidding under the scheme.
- Households who are statutorily overcrowded
- Transfer applicants needing a permanent or temporary decant where the property is imminently required for major repair
- Where the property is deemed to be 'statutorily overcrowded' by the Private Sector Housing Team under section X of the 1985 Housing Act and there are no practicable means to make the property suitable for the number of occupants within a reasonable time period.
- Priority transfer, agreed in exceptional circumstances due to significant and insurmountable problems associated with the tenant's occupation and there is imminent personal risk to the household if they remain.
- Retiring council and HA employees, e.g. Sheltered Scheme Managers, Residential Estate Wardens where the council or HA has a contractual obligation to house.
- Non-statutory successors – where agreement has been provided by Tenancy

Services and Housing Options that the council will try to re-house in accommodation suitable for the applicant's housing need.

- Under-occupiers who have succeeded to the tenancy where the council has grounds for seeking possession by offering suitable alternative accommodation.
- Care leavers – where the applicant has been placed by Brighton & Hove City Council and there is agreement from the Homemove Manager and professional colleagues within the council, this priority is not valid for care leavers from other authorities.
- Management Transfers - agreed by Housing Management for transfers on management grounds.
- Ex-council and HA tenants released or discharged from an institution that the council has given an undertaking to house who have not successfully bid within the timescale will be made one offer before duty is discharged or priority lost.

After the bidding time allowed above has passed and the applicant has not been successful the council will then place bids on behalf of the applicant that are more likely to receive an offer of accommodation this is known as direct bidding.

### **Applicants not bidding**

Applicants who are not subject to a minimum bidding time limit who fail to make any bids within a 12 month period will be informed that they must be actively bidding. Applicants will be given one written warning giving them a further month to make a bid. If an applicant fails to make bid then the application will be cancelled and removed from the housing register. Applicants may reapply to the housing register but this will be considered to be a new application and be assessed accordingly. There will be no backdating of any priority dates to a former application that is removed.

### **Direct Bidding**

It is our aim to advertise all properties through Homemove but there may be circumstances where we will make bids on behalf of households.

- Special circumstances, e.g. applicants who are assessed as high risk offenders have their application processed through a multi-agency panel. This group will be restricted from bidding and a property identified as recommended by the panel. The panel will make one reasonable offer and if refused the applicant can request a review. The final decision on eligibility to bid lies with the Homemove Manager.
- Accepted Homeless households in Band A or C who have failed to exercise choice through the bidding process within the three month timescale or who have bid within the timescale but have not been successful. The council may make one reasonable offer of accommodation before duty is discharged.
- Retiring council employees or those who have highly specific requirements or

who have failed to bid successfully within their bidding time will be offered one property. If refused, the Homemove Manager will review the case and priority may be lost and/or request proceedings possession begins.

- Tenants who need to be temporarily or permanently decanted who have failed to bid successfully within their bidding time will be offered one property. If refused the Homemove Manager will review the case and priority may be lost.
- Ex-council & HA tenants released or discharged from an institution that the council has given an undertaking to house who have not successfully bid within their bidding time will be offered one property. If refused the Homemove Manager will review the case and priority may be lost and/or request possession proceedings begins.
- Non-statutory successors who have failed to bid successfully within their bidding time will be offered one property. If refused the Homemove Manager will review the case and priority may be lost and/or request proceedings possession begins.
- Statutory successors who need to downsize who have failed to bid successfully within their bidding time will be offered one property
- Priority Transfers who have failed to bid successfully within their bidding time will be offered one property. If refused the Homemove Manager will review the case and priority may be lost and/or request proceedings possession begins.
- Social Services nominations under quota arrangements who have failed to bid successfully within their bidding time will be offered one property. If refused the Homemove Manager will review the case and priority may be lost.
- Witness Protection nominations under a quota arrangement and agreed through the National Witness Mobility Service who have failed to bid successfully within their bidding time will be offered one property. If refused the Homemove Manager will review the case and priority may be lost.
- Care leavers – where the applicant has been placed by Brighton & Hove City Council and there is agreement from the Homemove Manager and professional colleagues within the council, this priority is not valid for care leavers from other authorities. If refused the Homemove Manager will review the case and priority may be lost.
- Management Transfers — agreed by Tenants Service for transfers on management grounds who have failed to bid successfully within their bidding time will be offered one property. If refused the Homemove Manager will review the case and priority may be lost and/or request proceedings possession begins.
- Where the property is deemed to be 'statutorily overcrowded' by the Private Sector Housing Team under Part X of the 1985 Housing Act and there are no practicable means to make the property suitable for the number of occupants within a reasonable time period who have failed to bid successfully within their bidding time will be offered one property. If refused the Homemove Manager will review the case and priority may be lost.
- Reciprocal housing agreement with another landlord or local authority who have failed to bid successfully within their bidding time will be offered one property. If

refused the Homemove Manager will review the case and priority may be lost.

### **Offers of accommodation.**

With such high demand for accommodation and the need for landlords to let properties to keep down void periods and any subsequent rent loss the council will only make one suitable offer of accommodation to applicants who are bidding themselves or are receiving assisted bidding, except in the circumstances below.

### **Exceptions to one offer policy.**

- Applicants accepted under the Tenants Incentive Scheme (TIS) or Tenants Support Scheme (TSS) downsizing from family accommodation
- Applicants accepted under the TIS or TSS Scheme releasing adapted properties
- Applicants in Homeseeker and Transfer groups seeking sheltered accommodation ( three reasonable offers of accommodation in any one 12 month period will apply)

### **Suitability of offers**

In order to maintain a transparent and open system that aligns offers of accommodation across all groups the allocations policy will apply suitability of all offers of accommodation using the criteria that is used for homeless applicants under the Housing Act 1996<sup>39</sup>

### **Refusals following bidding or direct bidding**

In the above cases the council will make a suitable offer, one that as far as possible matches the size, and type of property the applicant is eligible for. The applicant must give their reasons for refusing. The property will **not** be held empty while the refusal is reviewed but will be let to another applicant.

If the offer is to a homeless household the Temporary Accommodation Allocations Manager will check the case and see if the offer will be enforced. Applicants will be given the required notification on their rights to request a review under Housing Act 1996 Part VII s202. Applicants will be advised that they should accept an offer of accommodation and can still request a review under Part VII. This will at least leave the person with some accommodation if the review process does not uphold their review.

If an offer is to other categories of applicant the Homemove will consider the reasons for refusal. If there is a clear mismatch, eg where applicant or property details were incorrect, the offer will be withdrawn and the applicant notified. If the offer was found to be a reasonable one, the Homemove Manager will advise the

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<sup>39</sup> Housing Act 1996 Part VII s210

applicant of the reasons for this finding and of the effect that this decision has on their application.

### **Refusals of suitable accommodation member bidding**

Applicants who have refused a suitable offer of accommodation will have their application closed, please note that if applicants who are second or third become first for an offer and refuse will be deemed 'first' under this part of the policy.

It should be noted that if a tenancy is accepted and then refused without the tenancy being moved into this will result in the application being closed. There is no facility for an application set to a status of let being reopened. This will be seen as a refusal and dealt with as the above.

All cases will be dealt with based on information supplied and submitted. There is no right to request a further review of the decision.

It should also be noted that this does not include Accepted Homeless cases where if households in this group are successful in obtaining an offer of accommodation within three months, this will be considered a final offer. Any refusal of offers for accepted homeless case will be dealt with under the reviews procedure under Part VII Housing Act 1996 and not under the allocations policy.

The council may exercise discretion to retain the current bandings or priority dates in certain instances, for example where a council or housing association tenant is releasing a property they are under occupying or one that has been adapted that could meet the needs of households who are waiting in a high banding.

### **Feedback on let properties**

All properties let will be listed on the Homemove website showing the number of bidders for each property and the band and priority date of the successful applicant.

### **Ending a joint tenancy when one party to the tenancy leaves**

Joint tenants remain jointly and severally liable for the terms of any tenancy granted by the council of housing association. A tenancy agreement is a legal contract between the landlord and the tenant. If one of the joint tenants leaves or abandons the property it is the responsibility of the remaining tenant to take action to resolve the situation. As the council is an interested party the remaining joint tenants will be advised to seek independent legal advice on how to bring a tenancy to an end.

Broadly speaking the council will grant a joint tenancy to partners applying together for housing as long as both parties are eligible. A joint tenancy remains in joint names until one or both joint tenants terminate the tenancy. Where there has been a relationship breakdown then one of the joint tenants may make an application for a property adjustment order. If there is a dispute as to who should remain in the property the courts will make a decision on who can remain.

### **Local Lettings Plans**

A local lettings plan is an agreement between the social landlord and local tenants and residents that restricts lettings in the area to certain households. This is done to tackle a specific issue or problem that has been identified locally at either block,

street, estate, neighbourhood or city level, or to achieve a sustainable community on a new development. Local lettings plans allow the council or HA to:

- Identify and explore the barriers to access housing.
- Deliver better outcomes and improve life chances for current tenants and future residents.
- Developing a stock and demand profile of the area alongside the views of local tenants and residents groups will primarily identify the need for any local lettings plans.

Four key elements will be considered when developing a new local lettings plan:

- Selective lettings - there may be some restrictions as to who can apply for certain properties or areas. For example this may involve age restrictions or a requirement to have a local connection.
- Making the best use of housing stock.
- Developing a balanced and sustainable community - where a local policy would promote community cohesion and balance the needs of existing and new tenants to create more inclusive neighbourhoods where people want to live. This may be in areas where there is a high turnover of properties either within an estate or amongst certain property types.
- Attract potential tenants - for example certain properties may be offered with a level of furnishings.

### **Key stages of development**

Developing a stock and demand profile of the area - this may include a breakdown of and information on:

- Property types and numbers
- Household type, including customer profile information of residents
- Voids and lettings within last financial year
- Numbers and reasons for refusal
- Reasons for rehousing and reasons why tenants leave
- Where most availability has occurred and why
- Number of registered transfers
- The level of demand for properties in the area
- How long tenancies are lasting
- How quickly vacancies are filled
- The layout of the area and services available
- Social issues within the area and any multi-agency involvement
- An estimate of vacancies expected
- Local targets for performance

### **Involving and consulting residents and tenants**

The landlords and partners will be responsible for consulting with residents and existing tenants and involving them in the development of any proposals for Local Lettings Plans. This may involve carrying out 'door to door' surveys to collate resident and tenant's views. Partner landlords who have stock within the area will be consulted on the need or otherwise for a local plan. Full Equality Impact Assessments will be carried out on all Plans.



## **Evaluating the information**

The council will evaluate the information in the stock and demand profile. It will also take account of tenants' views when identifying recommendations to develop local lettings criteria. The council must also consider diversity and equal opportunity issues of local communities when formulating any local lettings plans.

## **Making recommendations**

Recommendations may include some of the following criteria:

- Setting a maximum or minimum age limit for certain properties.
- Preference to tenants / applicants with a local connection or who already live or work in that area.
- Preference to tenants / applicants who are giving or receiving support to or from family/extended family, voluntary work, day care, playgroups or other support from locally based organisations.
- Preference to people who are employed.
- Preference to other household types who would not normally be eligible under the council's letting policy — e.g. this could be couples without children, where there is a high density already in the area of families with children.
- Preference to specific groups of people for specific types of properties or in specific localities where this would benefit the community.
- Preference to people from BME and religious cultures.
- Meeting need of a category of people to ensure most appropriate use of stock.

## **Impact of Local Lettings Plans on the Allocations Policy**

Once a report with recommendations has been finalised, the council will have to formally adopt the plan and this will override the current eligibility criteria. This will take into account the impact of overall lettings in the district. Any property subject to a Local Lettings Plan will be clearly labelled (LLP) within the advertisements.

## **Review of Local Lettings Plans**

The council will ensure that Local Lettings Plans are publicised and implemented. In addition, they will ensure that these plans are continuously monitored and reviewed annually or in line with the Local Lettings Plan recommendation of any review period not exceeding four years, with the involvement of local tenants and residents. If a Local Lettings Plan is agreed it will be promoted within the affected area. If a Local Lettings Plan is not reviewed on an annual basis or in line with the recommendations agreed by committee, then the Local Lettings Plan will lapse.

## **Reviews under Part VI Housing Act 1996**

An applicant will be notified of the right to a review under the allocations policy. The Right of Review under the allocations policy are as follows:

- (i) A decision an applicant is not eligible<sup>40</sup>
- (ii) A decision concerning the facts of the case which are likely to be or have been taken into account in considering whether to allocate accommodation<sup>41</sup>
- (iii) A decision that an applicant is not a qualifying person for an allocation<sup>42</sup>

### **Reviews concerning the facts of the case in above (ii) above include**

- a) The type of property for which an applicant will be considered
- b) The extend of the applicant's household to be considered for housing with the applicant
- c) The applicant's medical condition or welfare needs
- d) Other fact used to determine whether the applicant in entitled to a reasonable preference
- e) Whether the applicant should receive additional preference on the grounds of urgent housing need or otherwise and
- f) Determining the applicant's priority including his or her financial resources, behaviour ( or that of his or her family), and local connection.

### **Procedures on review**

The Secretary of State has issued guidance<sup>43</sup> on how the local authority should carry out reviews under the allocations policy.<sup>44</sup>

The review procedures should be clearly set out, including timescales for each stage of the process, and must accord with the principles of transparency and fairness. Failure to put in place a fair procedure for reviews, which allows for all relevant factors to be considered, could result in a judicial review of any decision reached. The following are general principles of good administrative practice:

### **Review time scales**

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<sup>40</sup> Housing Act 1996 160ZA(9)(a) & (c)

<sup>41</sup> Housing Act 1996 166A (a)(b) & (c)

<sup>42</sup> Housing Act 1996 160ZA 9(b) & 166A(9)(c)

<sup>43</sup> Allocation of accommodation: guidance for local housing authorities in England June 2012

<sup>44</sup> Housing Act 1996 s166a (10)

Applicants will be notified that they will have 21 days to request a review of any decision that is statutorily reviewable.

Review requests that are received outside of the 21 day time limit may be accepted if there are exceptional circumstances as to why the applicant was unable to request a review within 21 days.

Applicants will be notified that the request for review should be made in writing, and that it would also be acceptable for the request to be submitted by a representative on their behalf. Applicants will also be advised of the information which should accompany the request.

Representation for the review will normally be made in writing setting out the grounds for the review and any other submissions that the applicant wishes to be considered as part of the review. In exceptional circumstances the council may allow an applicant to make verbal representations to the person carrying out the review, if for example the case is extremely complex.

The review will be carried out by an officer who is senior to the person who made the original decision by at least one grade. It will not be carried out by a person who made the original decision or involved in the decision that is subject to the review.

The review will be considered on the basis of the authority's allocation scheme, any legal requirements and all relevant information. This should include information provided by the applicant on any relevant developments since the original decision was made – for instance, the settlement of arrears or establishment of a repayment plan or departure of a member of the household responsible for anti-social behaviour or a change in a person's medical or mobility.

Reviews should be completed wherever practicable within eight weeks from the date the review is requested. The applicant or their representative may request an extension of time to submit representations. The council will look to notify an applicant if the review cannot be completed within eight weeks with the reason for the extension.

Applicants will be notified in writing of the outcome of the review. The notification will set out the reasons for the decision. This is to assist the applicant and the authority if, for example, the applicant is not satisfied with the outcome and decides to seek a judicial review or to take their case to the Local Government Ombudsman.

### **Rights of Applicants following a review.**

An applicant who is dissatisfied with the outcome of a decision made on review can either decide to pursue their case to the Local Government Ombudsman or to seek a judicial review. If an applicant is seeking to pursue the matter by way of judicial review then they are advised that to seek advice from a legal advisor before doing so.

**There is no right for an applicant to request a second right of review.**

## **Right to Move (Transferring tenants from another local authority only)**

### **Work**

In order to qualify for an exemption of the local connection criteria the following will be taken into account in assessing if an exemption applies.

The Right to Move qualification regulations 2015<sup>45</sup> only apply if work is not short-term or marginal in nature, nor ancillary to work in another district. Voluntary work is also excluded.

### **Short-term**

In determining whether work is short-term, the following are relevant considerations:

- whether work is regular or intermittent (This is likely to be particularly relevant in the case of the self-employed).
- the period of employment and whether or not work was intended to be short-term or long-term at the outset
- if a contract of employment that was intended to last for less than 12 months would be considered to be short-term.

### **Marginal**

The following considerations would be relevant in determining whether work is marginal:

- the number of hours worked
- if less than 16 hours a week could be considered to be marginal in nature. This is the threshold below which a person may be able to claim Income Support and the threshold for a single person's entitlement to Working Tax Credit. (The fact that a tenant only works 15 hours a week, for example, may not be determinative if they are able to demonstrate that the work is regular and the remuneration is substantial).
- the level of earnings.

### **Ancillary**

Work must not be ancillary to work in another local authority's district. This means that, if the person works occasionally in the local authority's district, even if the pattern of

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<sup>45</sup> Statutory guidance on social housing allocations for local housing authorities in England 2015

work is regular, but their main place of work is in a different local authority's district, the work is excluded for the purposes of this policy.

A further relevant consideration would also be whether the tenant is expected eventually to return to work in the original local authority district. If a local authority has reason to believe this is the case, they should seek verification from the tenant's employer.

A person who seeks to move to Brighton and Hove to be closer to work in a neighbouring authority – for example, where the transport links are better in the first local are also excluded from the right to work

### **Voluntary work**

Regulations exclude voluntary work. Voluntary work means work where no payment is received or the only payment is in respect of any expenses reasonably incurred.

### **Apprenticeship**

The term 'work' includes an apprenticeship. This is because an apprenticeship normally takes place under an apprenticeship agreement which is an employment contract (specifically a contract of service).

### **Genuine intention to take up an offer of work**

Where the tenant has been offered a job and needs to move to take it up, they must be able to demonstrate to the local authority's satisfaction that they have a genuine intention to take up the offer.

### **Verification and evidence**

In all case the council will want verification and evidence that the work or job-offer is genuine and therefore the following documentary evidence will be required:

- a contract of employment
- wage/salary slips covering a certain period of time, or bank statements (this is likely to be particularly relevant in the case of zero-hours contracts)
- tax and benefits information – e.g. proof that the applicant is in receipt of working tax credit (if eligible) P60 or other information related to the employment.
- a formal offer letter and letter of acceptance
- the employer to verify the position.
- Letters should be on company headed paper.

Applicant must qualify for an allocation under the right to move both at the time of the initial application **and** when considering making an allocation. This means that proof we have to be provided that the person's circumstances have not changed.

Any application that is suspected of attempting to supply false or misleading statements in order to obtain accommodation with the council commits an offence and may be

prosecuted. If a property is allocated following false or misleading statements a person may face eviction.

Section 166A provides that the council must frame the allocations policy to ensure that reasonable preference is given to move to the area, where failure to meet that need would cause hardship to themselves or others. Reasonable preference for the Right to Move Scheme has been set at Band C under the banding structure. In exceptional circumstances an applicant may be awarded a higher band under the scheme on the basis of a medical condition to Band B. This will be assessed on the same basis as those with a local connection if they meet the relevant criteria above.

### **Quota of properties under right to work**

The secretary of state recommends that council set a quota to allow people to move under this scheme. The recommended quota is advised to at one percent of letting each year. Councils that wish to set aside less than one percent of allocations have to be ready to explain publicly why this is the case.

In this allocations policy it is recommended that the council sets aside half a percent (0.5) as a quota for the Right to Work Scheme. The rationale for this figure is that Brighton and Hove is an area of high housing demand that the council is unable to meet the needs of local residents including those that the council has a statutory duty to accommodate. Since the introduction of the right to move scheme there have been no applications to the council under this scheme. It is likely that people that move to the city are likely to move to employment that affords them the ability to source their own accommodation. It is also likely that the job market in the locality may only provide seasonal work to those on lower incomes.

This quota will be kept under review to see if it meets demand. This quota may be varied to a maximum of one percent of allocations by the Assistant Director-Housing.

### **Rehabilitation periods for certain types of sentence/disposal under the 1974 Act (as amended by the 2012 Act)**

Sentence/disposal	Rehabilitation period if aged 18 or over when convicted/disposal administered	Rehabilitation period if aged under 18 when convicted/disposal administered
A custodial sentence of over 48 months	Never spent	Never spent
A custodial sentence of over 30 months but not exceeding 48 months	7 years from the date on which the sentence (including any licence period) is completed	42 months from the date on which the sentence (including any licence period) is completed
A custodial sentence of over 6 months but not exceeding 30 months	48 months from the date on which the sentence (including any licence period) is completed	24 months from the date on which the sentence (including any licence period) is completed
A custodial sentence of up to 6 months	24 months from the date on which the sentence	18 months from the date on which the sentence(including any

	(including any licence period) is completed	licence period) is completed
Fine	12 months from the date of the conviction in respect of which the fine was imposed	6 months from the date of conviction in respect of which the fine was imposed
Community order	12 months from the last day on which the order has effect	6 months from the last day on which the order has effect
Simple caution, youth caution	Spent immediately	Spent immediately
Compensation order	On the discharge of the order (i.e. when it is paid in full)	On the discharge of the order (i.e. when it is paid in full)

All offences that are not spent must be disclosed to the council on the application form. No offences that are spent have to be disclosed under the Rehabilitation of Offenders Act 1974.

### **Sexual Offences Act 2003**

Applicants who are required to sign onto the sex offenders register are required to inform the council that they are required to do so. Offers of accommodation for this group may require authorisation from the public protection or Multi-Agency Public Protection Arrangements before they can proceed to an offer of accommodation. Any refusal by public protection or MAPPA to agree to the offer will result in the offer being bypassed.

### **Reciprocals**

The council recognise the need for the allocations scheme to contain an element of social mobility whilst protecting social housing as a valuable and scarce resource. In order to strike a balance the council will enter into reciprocal arrangement with another local authority or housing association.

All reciprocal arrangements are agreed on a discretionary basis and the council retains the right to decline a request for a reciprocal agreement if it is not considered to be in the interests of the council.

Applicants must have been registered on a mutual exchange system and have been unable to obtain housing through these schemes, except in the case of domestic violence.

The Homemove Manager must approve all reciprocal arrangements both in and out bound.

Requests for a reciprocal agreement will only be accepted if a person would otherwise meet the eligibility and qualification criteria contained in this policy requests for a reciprocal agreement for anti social behaviour and rent arrears will usually be refused. Applications will be considered to take into account the Benefit Cap on any reciprocal request.

Reciprocals are only agreed when there is no material loss to the council in terms of available housing stock. In most cases, this means that the council will expect back a property of equal or larger size than the unit offered. The unit must also be comparable

in terms of quality and type. If a property requirement is within mobility groups one or two it will be mandatory that the reciprocal is of the same group and in the case of an inbound request that an outbound reciprocal will have to be identified before a request will be agreed.

In exceptional circumstances, the council may agree to accept an equal number of bedrooms in exchange for a larger unit of the same number of bedrooms, i.e. 1 three bed for 3 three beds or 1 one bed and 1 two bed, This will only be considered where there is no other re-housing option available to the applicant and where there is a strong welfare reason to support the request. This request may be agreed where a tenant under the TIS or TSS schemes will vacate family size accommodation.

The council expects to receive back the replacement unit within twelve months of the original re-housing.

The local authority or housing association concerned will be required to provide a written commitment to the terms of the reciprocal, as agreed by the Homemove Manager.

Applicants approved on a reciprocal basis will be placed in and be able to bid for the agreed housing appropriate to meet their needs for three months and if unsuccessful during this period will be given one direct offer of suitable accommodation. If this is unreasonably refused the application will be closed. The council's one offer policy applies.

The council will contact the applicant's landlord at the point of re-housing, to notify them of the move and to request details of the property being provided in replacement.

The applicant will not be re-housed out of turn and all of the terms of bidding, shortlisting and letting apply.

Brighton & Hove Allocations Scheme guidance to officers on the assessment and implementation of this policy.

In order to implement the council's allocations scheme the following is guidance to officers on the use of council systems and procedures following council's agreement of the scheme by Members. This will be developed following the policy above. This guidance may change from time to time to reflect changes in the law or service delivery within the housing department or other services involved.



## **ANNEX 1: ELIGIBILITY**

i.) As a local housing authority we must consider all applications made in accordance with the procedural requirements of our allocation scheme (Housing Act 1996 sections 166(3) and 166A(14)). In considering applications, we must decide:

- if an applicant is eligible for an allocation of accommodation, and
- if he or she qualifies for an allocation of accommodation

### **Eligibility**

ii.) An applicant may be ineligible for an allocation of accommodation under s.160ZA(2) or (4).

We will consider an applicant's eligibility at the time of the initial application and again when considering making an allocation to them, particularly where a substantial amount of time has elapsed since the original application.

### **Joint Tenancies**

iii.) Under s.160ZA(1)(b), we must not grant a joint tenancy to two or more people if any one of them is a person from abroad who is ineligible. However, where two or more people apply and one of them is eligible, we may grant a tenancy to the person who is eligible. In addition, while ineligible family members must not be granted a tenancy, we should take them into account in determining the size of accommodation which is to be allocated.

### **Existing Tenants**

iv.) The eligibility provisions do not apply to applicants who are already our tenants. Most transferring tenants fall outside the scope of the allocation legislation (s.159(4A)); while those who are considered to have reasonable preference for an allocation are specifically exempted from the eligibility provisions by virtue of s.160ZA(5).

### **Persons from abroad**

v.) A person may not be allocated accommodation under Part 6 if he or she is a person from abroad who is ineligible for an allocation under s.160ZA of the 1996 Act. There are two categories for the purposes of s.160ZA:

- a person subject to immigration control - such a person is not eligible for an allocation of accommodation unless he or she comes within a class prescribed in regulations made by the Secretary of State (s.160ZA(2)), and
- a person from abroad other than a person subject to immigration control – regulations may provide for other descriptions of persons from abroad who,

although not subject to immigration control, are to be treated as ineligible for an allocation of accommodation (s.160ZA(4))

vi.) The regulations setting out which classes of persons from abroad are eligible or ineligible for an allocation are the Allocation of Housing and Homelessness (Eligibility) (England) Regulations 2006 (SI 2006 No.1294) ('the Eligibility Regulations'). Persons subject to immigration control

vii.) The term 'person subject to immigration control' is defined in s.13(2) of the Asylum and Immigration Act 1996 as a person who under the Immigration Act 1971 requires leave to enter or remain in the United Kingdom (whether or not such leave has been given)

The following categories of persons do not require leave to enter or remain in the UK:

- British citizens
- certain Commonwealth citizens with a right of abode in the UK
- Irish citizens, who are not subject to immigration control in the UK because the Republic of Ireland forms part of the Common Travel Area (see paragraph 3.11 (iii) below) with the UK which allows free movement
- EEA nationals<sup>46</sup>, and their family members, who have a right to reside in the UK that derives from EU law. Whether an EEA national (or family member) has a particular right to reside in the UK (or another Member State) will depend on the circumstances, particularly their economic status (e.g. whether he or she is a worker, self-employed, a student, or economically inactive) persons who are exempt from immigration control under the Immigration Acts, including diplomats and their family members based in the UK, and some military personnel.

viii.) Any person who does not fall within one of the four categories in paragraph x.) will be a person subject to immigration control and will be ineligible for an allocation of accommodation unless they fall within a class of persons prescribed by regulation 3 of the Eligibility Regulations (see further below).

xi.) If there is any uncertainty about an applicant's immigration status, we will contact the UK Border Agency (UKBA). UKBA provides a service to housing authorities to confirm the immigration status of an applicant from abroad (non asylum seekers) by email at LA@UKBA.gsi.gov.uk . Where UKBA indicates the applicant may be an asylum seeker, enquiries of their status can be made to the Immigration Enquiry Bureau helpline on 0870 606 7766.

x.) Regulation 3 of the Eligibility Regulations provides that the following classes of persons subject to immigration control are eligible for an allocation of accommodation:

- a person granted refugee status: granted 5 years' limited leave to remain in the UK

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<sup>46</sup> European Economic Area nationals are nationals of any EU member state (except the UK), and nationals of Iceland, Norway, Liechtenstein and Switzerland

- a person granted exceptional leave to enter or remain in the UK without condition that they and any dependants should make no recourse to public funds: granted for a limited period where there are compelling humanitarian or compassionate circumstances for allowing them to stay. However, if leave is granted on condition that the applicant and any dependants are not a charge on public funds, the applicant will not be eligible for an allocation of accommodation. Exceptional leave to remain (granted at the Secretary of State's discretion outside the Immigration Rules) now takes the form of 'discretionary leave'.
- a person with current leave to enter or remain in the UK with no condition or limitation, and who is habitually resident in the UK, the Channel Islands, the Isle of Man or the Republic of Ireland (the Common Travel Area): such a person will have indefinite leave to enter (ILE) or remain (ILR) and is regarded as having settled status. However, where ILE or ILR status is granted as a result of an undertaking that a sponsor will be responsible for the applicant's maintenance and accommodation, the person must have been resident in the Common Travel Area for five years since the date of entry - or the date of the sponsorship undertaking, whichever is later – to be eligible. Where all sponsors have died within the first five years, the applicant will be eligible for an allocation of accommodation.
- a person who has humanitarian protection granted under the Immigration Rules<sup>47</sup>: a form of leave granted to persons who do not qualify for refugee status but would face a real risk of suffering serious harm if returned to their state of origin (see paragraphs 339C-344C of the Immigration Rules (HC 395))

### **Other persons from abroad who may be ineligible for an allocation**

xi.) By virtue of regulation 4 of the Eligibility Regulations, a person who is not subject to immigration control and who falls within one of the following descriptions is to be treated as a person from abroad who is ineligible for an allocation of accommodation:

- a person who is not habitually resident in the Common Travel Area (subject to certain exceptions - see paragraph 3.14 below)
- a person whose only right to reside in the UK is derived from his status as a jobseeker (or his status as the family member of a jobseeker). 'Jobseeker' has the same meaning as in regulation 6(1) of the Immigration (European Economic Area) Regulations 2006 (SI 2006/1003) ('the EEA Regulations').
- a person whose only right to reside in the UK is an initial right to reside for a period not exceeding three months under regulation 13 of the EEA Regulations
- a person whose only right to reside in the Common Travel Area is a right equivalent to one of the rights mentioned in (ii) or (iii) above and which is derived from EU Treaty rights

xii.) See Annex 2 for guidance on rights to reside in the UK derived from EU law.

Xiii.) The following persons from abroad are eligible for an allocation of accommodation even if they are not habitually resident in the Common Travel Area:

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<sup>47</sup> Inserted by the Allocation of Housing and Homelessness (Miscellaneous Provisions) (England) Regulations 2006

- an EEA national who is in the UK as a worker (which has the same meaning as in regulation 6(1) of the EEA Regulations)
- an EEA national who is in the UK as a self-employed person (which has the same meaning as in regulation 6(1) of the EEA Regulations)
- a person who is treated as a worker for the purposes of regulation 6(1) of the EEA Regulations, pursuant to the Accession (Immigration and Worker Authorisation) Regulations 2006 (i.e. nationals of Bulgaria and Romania required to be authorised by the Home Office to work until they have accrued 12 months uninterrupted authorised work)<sup>48</sup>
- a person who is a family member of a person referred to in (a) to (c) above
- a person with a right to reside permanently in the UK by virtue of regulation 15(c), (d) or (e) of the EEA Regulations f) a person who left Montserrat after 1 November 1995 because of the effect of volcanic activity there
- a person who is in the UK as a result of his deportation, expulsion or other removal by compulsion of law from another country to the UK. This could include EEA nationals, if the person was settled in the UK and exercising EU Treaty rights prior to deportation from the third country. Where deportation occurs, most countries will signal this in the person's passport.

xiv.) A person who is no longer working or no longer in self-employment will retain his or her status as a worker or self-employed person in certain circumstances. However, accession state workers requiring authorisation will generally only be treated as a worker when they are actually working as authorised and will not retain 'worker' status between jobs until they have accrued 12 months continuous authorised employment. 'Family member' does not include a person who is an extended family member who is treated as a family member by virtue of regulation 7(3) of the EEA Regulations (see annexes 2 and 3 for further guidance).

xv.) The term 'habitual residence' is intended to convey a degree of permanence in the person's residence in the Common Travel Area; it implies an association between the individual and the place of residence and relies substantially on fact.

xvi.) Applicants who have been resident in the Common Travel Area continuously during the two year period prior to their housing application are likely to be habitually resident (periods of temporary absence, e.g. visits abroad for holidays or to visit relatives may be disregarded). Where two years' continuous residency has not been established, housing authorities will need to conduct further enquiries to determine whether the applicant is habitually resident (see annex 4 for further guidance).

## **ANNEX 2: RIGHTS TO RESIDE IN THE UK DERIVED FROM EU LAW**

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<sup>48</sup> As of 1 May 2011, nationals of the 8 Eastern European countries (A8 nationals) which acceded to the EU in 2004 are no longer required to register with the Workers Registration Scheme in order to work in the UK.

Regulation 4(2)(c) of the Eligibility Regulations no longer applies to applications from A8 workers as of that date. Rather applications from A8 workers should be considered on the same basis as those from other EU workers under regulation 4(2)(a).

i.) EEA nationals and their family members who have a right to reside in the UK that derives from EU law are not persons subject to immigration control. This means that they will be eligible for an allocation of accommodation under Part 6 unless they fall within one of the categories of persons to be treated as a person from abroad who is ineligible for an allocation of accommodation by virtue of regulation 4 of the Eligibility Regulations.

## **General**

### **Nationals of EU countries**

ii.) Nationals of EU countries enjoy a number of different rights to reside in other Member States, including the UK. These rights derive from the EU Treaties, EU secondary legislation (in particular Directive 2004/38), and the case law of the European Court of Justice.

iii.) Whether an individual EU national has a right to reside in the UK will depend on his or her circumstances, particularly his or her economic status (e.g. whether employed, self employed, seeking work, a student, or economically inactive etc).

### **Nationals of Bulgaria and Romania - the A2 accession states**

iv.) A slightly different regime applies to EU nationals who are nationals of Bulgaria and Romania which acceded to the EU on 1 January 2007. Bulgaria and Romania are referred to in this guidance as the A2 accession states. The Immigration (European Economic Area) Regulations 2006

### **The Immigration (European Economic Area) Regulations 2006**

v.) The EEA Regulations' – SI 2006/1003) implement into UK domestic law Directive 2004/38. Broadly, the EEA Regulations provide that EU nationals have the right to reside in the UK without the requirement for leave to remain under the Immigration Act 1971 for the first 3 months of their residence, and for longer, if they are a 'qualified person' or they have acquired a permanent right of residence.

### **Nationals of Iceland, Liechtenstein and Norway, and Switzerland**

vi.) The EEA Regulations extend the same rights to reside in the UK to nationals of Iceland, Liechtenstein and Norway as those afforded to EU nationals. (The EU countries plus Iceland, Liechtenstein and Norway together comprise the EEA.) The EEA Regulations also extend the same rights to reside in the UK to nationals of Switzerland. For the purposes of this guidance, 'EEA nationals' means nationals of any of the EU member states (excluding the UK), and nationals of Iceland, Norway, Liechtenstein and Switzerland.

## **Initial 3 months residence**

vii.) Regulation 13 of the EEA Regulations provides that EEA nationals have the right to reside in the UK for a period of up to 3 months without any conditions or formalities other than holding a valid identity card or passport. Therefore, during their first 3 months of residence in the UK, EEA nationals will not be subject to immigration control (unless the right to reside is lost following a decision by an immigration officer in accordance with regulation 13(3) of the EEA Regulations).

viii.) However, regulations 4(1)(b)(ii) and (c) of the Eligibility Regulations provide that a person who is not subject to immigration control is not eligible for an allocation of accommodation if:

his or her only right to reside in the UK is an initial right to reside for a period not exceeding 3 months under regulation 13 of the EEA Regulations, or his or her only right to reside in the Channel Islands, the Isle of Man or the Republic of Ireland (the Common Travel Area) is a right equivalent to the right mentioned in (i) above which is derived from the EU Treaty

### **Rights of residence for 'qualified persons'**

ix.) Regulation 14 of the EEA Regulations provides that 'qualified persons' have the right to reside in the UK so long as they remain a qualified person. Under regulation 6 of the EEA Regulations, 'qualified person' means:

- a) a jobseeker
- b) a worker
- c) a self-employed person
- d) a self-sufficient person
- e) a student

### **Jobseekers**

x.) For the purposes of regulation 6(1)(a) of the EEA Regulations, 'jobseeker' means a person who enters the UK in order to seek employment and can provide evidence that he or she is seeking employment and has a genuine chance of being employed.

xi.) Nationals of Bulgaria and Romania who need to be authorised to work do not have a right to reside in the UK as a jobseeker<sup>49</sup>. However, they may have a right to reside by virtue of another status, e.g. as a self-sufficient person.

xii.) Although a person who is a jobseeker is not subject to immigration control, regulation 4 of the Eligibility Regulations provides that a person is not eligible for an allocation of accommodation if:

- his or her only right to reside in the UK is derived from his or her status as a jobseeker or the family member of a jobseeker, or
- his or her only right to reside in the Channel Islands, the Common Travel Area is a right equivalent to the right mentioned in (i) above which is derived from the Treaty establishing the European Community

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<sup>49</sup> Regulation 6(2) of the Accession (Immigration and Worker Authorisation) Regulations 2006 (SI 2006/3317).

## Workers

xiii.) In order to be a worker for the purposes of the EEA Regulations, a person must be employed. That is to say, he or she is obliged to provide services for another person in return for monetary reward and is subject to the control of that other person as regards the way in which the work is to be done.

xiv.) Activity as an employed person may include part time work, seasonal work and cross-border work (i.e. where a worker is established in another Member State and travels to work in the UK). However, case law provides that the employment must be effective and genuine economic activity, and not on such a small scale as to be regarded as purely marginal and ancillary.

xv.) Provided the employment is effective and genuine economic activity, the fact that a person's level of remuneration may be below the level of subsistence or below the national minimum wage, or the fact that a person may be receiving financial assistance from public benefits, would not exclude that person from being a 'worker'.

xvi.) A person who is a worker is not subject to immigration control, and is eligible for an allocation of accommodation whether or not he or she is habitually resident in the Common Travel Area.

## Retention of worker status

xvii.) A person who is no longer working does not cease to be treated as a 'worker' for the purpose of regulation 6(1)(b) of the EEA Regulations, if he or she:

(a) is temporarily unable to work as the result of an illness or accident; or

(b) is recorded as involuntarily unemployed after having being employed in the UK, provided that he or she has registered as a jobseeker with the relevant employment office, and:

•

(i) was employed for one year or more before becoming unemployed, or

(ii) has been unemployed for no more than 6 months, or

(iii) can provide evidence that he or she is seeking employment in the UK and has a genuine chance of being engaged; or

(c) is involuntarily unemployed and has embarked on vocational training; or

(d) has voluntarily ceased working and embarked on vocational training that is related to his or her previous employment.

## A2 state workers requiring authorisation who are treated as workers

xviii.) By virtue of the Accession (Immigration and Worker Authorisation) Regulations 2006 ('the Accession Regulations'), nationals of the A2 states (with certain exceptions) must obtain authorisation to work in the UK until they have accrued a period of 12 months continuous employment.

xix.) An A2 national requiring authorisation is only treated as a worker if he or she is actually working and:

- (i) holds an accession worker authorisation document, and
- (ii) is working in accordance with the conditions set out in that document (regulation 9(1) of the Accession Regulations)

xx.) We may need to contact the employer named in the authorisation document, to confirm that the applicant continues to be employed.

### **Self-employed persons**

xxi.) 'Self-employed person' means a person who establishes himself in the UK in order to pursue activity as a self-employed person in accordance with Article 49 of the Treaty on the Functioning of the European Union.

xxii.) A self-employed person should be able to confirm that he or she is pursuing activity as a self-employed person by providing documents relating to their business. A person who is no longer in self-employment does not cease to be treated as a self-employed person for the purposes of regulation 6(1)(c) of the EEA regulations, if he or she is temporarily unable to pursue his or her activity as a self-employed person as the result of an illness or accident.

xxiii.) A2 nationals are not required to be authorised in order to establish themselves in the UK as a self-employed person.

xxiv.) A person who is a self-employed is not subject to immigration control and is eligible for an allocation of accommodation whether or not he or she is habitually resident in the Common Travel Area.

### **Self-sufficient persons**

xxv.) Regulation 4(1)(c) of the EEA regulations defines 'self-sufficient person' as a person who has:

- (i) sufficient resources not to become a burden on the social assistance system of the UK during his or her period of residence, and
- (ii) comprehensive sickness insurance cover in the UK

xxvi.) By regulation 4(4) of the EEA Regulations, the resources of a person who is a self-sufficient person (or a student – see below) and, where applicable, any family members, are to be regarded as sufficient if (a) they exceed the maximum level of resources which a UK national and his or her family members may possess if he or she is to become eligible for social assistance under the UK benefit system or, if (a) does not apply, (b) taking into account the personal situation of the person concerned and, where applicable, any family members, it appears to the council that the resources of the person or persons concerned should be regarded as sufficient.

xxvii.) Where an EEA national applies for an allocation of accommodation as a self-sufficient person and does not appear to meet the conditions of regulation 4(1)(c) of the EEA regulations, the housing authority will need to consider whether he or she may have some other right to reside in the UK.



xxviii.) Where the applicant does not meet the conditions of regulation 4(1)(c) but has previously done so during his or her residence in the UK, the case will be referred to the Home Office for clarification of their status.

xxix.) A person who is a self-sufficient person is not subject to immigration control, but must be habitually resident in the Common Travel Area to be eligible for an allocation of accommodation.

## **Students**

xxx.) Regulation 4(1)(d) of the EEA regulations defines 'student' as a person who :

- a. is enrolled at a private or public establishment included on the Register of Education and Training Providers<sup>50</sup>, or is financed from public funds, for the principal purpose of following a course of study, including vocational training, and
- b. has comprehensive sickness insurance cover in the UK, and
- c. assures the Secretary of State, by means of a declaration or such equivalent means as the person may choose, that he or she (and if applicable his or her family members) has sufficient resources not to become a burden on the social assistance system of the UK during his or her period of residence.

xxxi.) A person who is a student is not subject to immigration control but must be habitually resident in the Common Travel Area to be eligible for an allocation of accommodation

## **Permanent right of residence**

xxxii.) Regulation 15 of the EEA Regulations provides that the following persons shall acquire the right to reside in the UK permanently :

- a. an EEA national who has resided in the UK in accordance with the EEA regulations for a continuous period of 5 years
- b. a non-EEA national who is a family member of an EEA national and who has resided in the UK with the EEA national in accordance with the EEA regulations for a continuous period of 5 years
- c. a worker or self-employed person who has ceased activity (see regulation 5 of the EEA Regulations for the definition of worker or self-employed person who has ceased activity)
- d. the family member of a worker or self-employed person who has ceased activity
- e. a person who was the family member of a worker or self-employed person who has died, where the family member resided with the worker or self-employed person immediately before the death and the worker or self-employed person had resided continuously in the UK for at least 2 years before the death (or the death was the result of an accident at work or an occupational disease)

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<sup>50</sup> Now known as the register of sponsors and held by the UKBA

- f. a person who has resided in the UK in accordance with the EEA regulations for a continuous period of 5 years, and at the end of that period was a family member who has retained the right of residence (see regulation 10 of the EEA Regulations for the definition of a family member who has retained the right of residence).

Once acquired, the right of permanent residence can be lost through absence from the UK for a period exceeding two consecutive years.

xxxiii.) A person with a right to reside permanently in the UK arising from (c), (d) or (e) above is eligible for an allocation of accommodation whether or not he or she is habitually resident in the Common Travel Area. Persons with a permanent right to reside by virtue of (a), (b), or (f) must be habitually resident to be eligible.

## **Rights of residence for certain family members**

### **The right to reside**

xxxiv.) Regulation 14 of the EEA Regulations provides that the following family members are entitled to reside in the UK:

- (i) a family member of a qualified person residing in the UK
- (ii) a family member of an EEA national with a permanent right of residence under regulation 15
- (iii) a family member who has retained the right of residence (see regulation 10 of the EEA Regulations for the definition)

xxxv.) A person who has a right to reside in the UK as the family member of an EEA 38 national under the EEA Regulations will not be subject to immigration control. The eligibility of such a person for an allocation of accommodation should therefore be considered in accordance with regulation 4 of the Eligibility Regulations.

xxxvi.) When considering the eligibility of a family member, we will consider whether the person has acquired a right to reside in their own right, for example a permanent right to reside under regulation 15 of the EEA Regulations.

### **Who is a 'family member'?**

xxxvii.) Regulation 7 of the EEA regulations provides that the following persons are treated as the family members of another person (with certain exceptions for students – see below):

- (a) the spouse of the person
- (b) the civil partner of the person
- (c) a direct descendant of the person, or of the person's spouse or civil partner, who is under the age of 21
- (d) a direct descendant of the person, or of the person's spouse or civil partner, who is over 21 and dependent on the person, or the spouse or civil partner
- (e) an ascendant relative of the person, or of the person's spouse or civil partner, who is dependent on the person or the spouse or civil partner

(f) a person who is an extended family member and is treated as a family member by virtue of regulation 7(3) of the EEA regulations (see below)

### **Family members of students**

xxxviii.) Regulation 7(2) of the EEA regulations provides that a person who falls within (c), (d) or (e) above shall not be treated as a family member of a student residing in the UK after the period of 3 months beginning on the date the student is admitted to the UK unless:

(i) in the case of paragraph 37(c) and (d) above, the person is the dependant child of the student, or of the spouse or civil partner, or

(ii) the student is also a qualified person (for the purposes of regulation 6(1) of the EEA regulations) other than as a student

### **Extended family members**

xxxix.) Broadly, extended family members will be persons who:

(a) do not fall within any of the categories (a) to (e) in paragraph 37 above, and

(b) are either a relative of an EEA national (or of the EEA national's spouse or civil partner) or the partner of an EEA national, and

(c) have been issued with an EEA family permit, a registration certificate or a residence card which is valid and has not been revoked

### **Family members' eligibility for an allocation of accommodation**

#### **Relationship with other rights to reside**

xxxx.) This section concerns the eligibility of an applicant for an allocation of accommodation whose right to reside is derived from his or her status as the family member of an EEA national with a right to reside. In some cases, a family member will have acquired a right to reside in his or her own right. In particular, a person who arrived in the UK as the family member of an EEA national may have subsequently acquired a permanent right of residence under regulation 15 of the EEA Regulations, as outlined in paragraph 32 (a) – (f) above. The eligibility for an allocation of accommodation of those with a permanent right of residence is discussed at paragraphs xxxii.) and xxxiii.)

#### **Family members who must be habitually resident**

xxxxi.) For family members with a right to reside under regulation 14 of the EEA Regulations, the following categories of persons must be habitually resident in the UK, the Channel Islands, the Isle of Man or the Republic of Ireland in order to be eligible for an allocation of accommodation:

- a) a person whose right to reside derives from their status as a family member of an EEA national who is a self-sufficient person for the purposes of regulation 6(1)(d) of the EEA regulations
- b) a person whose right to reside derives from their status as a family member of an EEA national who is a student for the purposes of regulation 6(1)(e) of the EEA regulations
- c) a person whose right to reside is dependent on their status as a family member of an EEA national with a permanent right to reside  
a person whose right to reside is dependent on their status as a family member who
- d) has retained the right of residence

### **Family members who are exempt from the habitual residence requirement**

xxxii.) A person with a right to reside under regulation 14 as a family member of an EEA national who is a worker or a self-employed person for the purposes of regulation 6(1) of the EEA regulations is exempted from the requirement to be habitually resident by regulation 4(2)(d) of the Eligibility Regulations. However, we note that an extended family

member (see above) is not counted as a family member for the purposes of regulation 4(2)(d) of the Eligibility Regulations (see regulation 2(3) of the Eligibility Regulations).

### **Family members of UK nationals exercising rights under the EU Treaty**

xxxiii.) There are some limited cases in which the non-EEA family member of a UK national may have a right to reside under EU law. Under regulation 9 of the EEA Regulations, the family member of a UK national should be treated as an EEA family member where the following conditions are met:

- (i) the UK national is residing in an EEA State as a worker or self-employed person, or was so residing before returning to the UK, and
- (ii) if the family member of the UK national is his spouse or civil partner, the parties are living together in the EEA State, or had entered into a marriage or civil partnership and were living together in that State before the UK national returned to the UK

xxxiv.) Where the family member of a UK national is to be treated as an EEA family member by virtue of regulation 9 of the EEA Regulations, that person is not subject to immigration control, and his or her eligibility for an allocation of accommodation should therefore be determined in accordance with regulation 4 of the Eligibility Regulations.

## ANNEX 3: STATUTORY OVERCROWDING

### **The statutory overcrowding standard**

There are two standards in Part X of the 1985 Housing Act that are used to assess whether a home is 'statutorily overcrowded.' If either or both of these standards are breached a dwelling will be statutorily overcrowded.

#### **1.1 The room standard**

Section 325 of the Housing Act 1985 provides that there is overcrowding wherever there are so many people in a house that any two or more of those persons, being ten or more years old, and of opposite sexes, not being persons living together as husband and wife, have to sleep in the same room. For these purposes children under ten may be disregarded and a room means any room normally used as either a bedroom or a living room. A kitchen can be considered to be a living room provided it is big enough to accommodate a bed. When interpreting this definition a local authority looks at how the sleeping arrangements within the premises could be organised rather than how they are actually organised

Thus, a couple, with two children of opposite sexes and aged ten years old or more, with two living rooms (e.g. bedrooms), are not statutorily overcrowded because the couple could occupy separate rooms, with one each of the children (of the appropriate sex). There is no limit on the number of people of the same sex who can live in the same room although there may be a contravention of the space standard (see below).

#### **1.2 The space standard**

This standard works by the calculating the permitted number of people for a dwelling in one of two ways. The lower number thus calculated is the permitted number for the dwelling. One test is based on the number of living rooms in the dwelling (disregarding rooms of less than 50 square feet):

One room = two persons

Two rooms = three persons

Three rooms = five persons

Four rooms = seven and a half persons

Five rooms or more = ten persons plus two for each room in excess of five rooms.

A child below the age of one does not count and a child between the age of one and ten counts as a half person.

The other test is based on floor areas of each room size:

less than 50 square feet = no-one

50 to less than 70 square feet = half a person

70 to less than 90 square feet = one person

90 to less than 110 square feet = one and a half persons

110 square feet or larger = two persons.



<b>Subject:</b>	<b>Housing Delivery Options – Living Wage Joint Venture</b>		
<b>Date of Meeting:</b>	<b>16 November 2016 – Housing &amp; New Homes Committee</b> 8 December 2016 – Policy, Resources & Growth Committee		
<b>Report of:</b>	<b>Executive Director for Economy, Environment &amp; Culture</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Martin Reid</b> <b>Sam Smith</b>	<b>Tel:</b> <b>01273293321</b> <b>01273291383</b>
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<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE****1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 Housing & New Homes Committee on 21 September 2016 considered a report requesting members recommend to Policy, Resources & Growth Committee support in principle for the Living Wage Joint Venture proposal and delegation of authority to relevant Executive Directors to progress this opportunity with Hyde with reserved matters coming back to Committee for approval. Committee resolved: *That a decision be deferred to the next meeting of the Housing & New Homes Committee to ensure that members can feel fully supportive of the proposals.* Following September Committee further work has been undertaken including: ongoing financial and legal due diligence on the terms of the proposed joint venture; meetings between the council and Hyde's legal teams; further development of key documents; and, additional briefings for Housing spokespersons and their lead members / political groups. Details of briefings are outlined in this report. A comprehensive list of Frequently Asked Questions has also been produced and appended to this report to help inform member decisions (Appendix 3).
- 1.2 The opportunity considered in this report is a proposal from Hyde Housing Association to develop a Living Wage Joint Venture with the council to acquire land and develop new homes for lower cost rental and sale for low income working households in the city. This proposal is informed by the outcome of the Housing Market Intervention options study presented to Housing & New Homes Committee in March 2016. Committee approved the Housing Delivery Options report and agreed to the procurement of legal and other specialist advisers to pursue this work.
- 1.3 The key aim of this project is the provision of lower cost rented housing. Supply of new lower cost rented homes is not keeping pace with demand and there is limited evidence of market appetite from developers and Registered Providers to deliver this product. There is also potential to generate a long term income for the council through funding returns and/or a margin through lending from the council.

- 1.4 The council has appointed Bevan Brittan LLP as its legal advisors. This report provides an overview of an offer to develop a Joint Venture (JV) for the development of lower cost rental and sale homes for low income working households in the city from Hyde Housing Association. Appendix 1 provides an overview of legal advice to date that has been provided by Bevan Brittan in relation to this opportunity. Appendix 2 provides a copy of the draft Heads of Terms document. Appendix 3 provides a list of frequently asked questions and answers. Appendix 4 in Part 2 of the report provides a summary of the Strategic Financial Viability Model and sensitivity analysis.

## **2. RECOMMENDATIONS:**

### **2.1 That Housing & New Homes Committee:**

- i) Recommends the report to Policy, Resources & Growth Committee as out at paragraph 2.2

### **2.2 That Policy, Resources & Growth Committee:**

- i) Support in principle the living wage joint venture proposal; and
- ii) Give delegated authority to the Executive Director of Economy, Environment & 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;
  - 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;
- iii) Note that reserved matters (as detailed in 3.30) will come back to 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.

## **3. CONTEXT/ BACKGROUND INFORMATION**

### **Action since September 2016 Housing & New Homes Committee**

- 3.1 Housing & New Homes Committee on 21 September 2016 considered a report requesting members recommend to Policy, Resources & Growth Committee support in principle for the Living Wage Joint Venture proposal and delegation of authority to relevant Executive Directors to progress this opportunity with Hyde with reserved matters coming back to Committee for approval. Committee resolved: *That a decision be deferred to the next meeting of the Housing & New Homes Committee to ensure that members can feel fully supportive of the proposals.*
- 3.2 Since September Housing & New Homes Committee Council officers, Bevan Brittan (the Council's lawyers) and Hyde have further developed legal documentation, continued to review the financial model and undertaken additional councillor briefings as outlined below:
- Progressed development of legal documents, including Living Wage Joint Venture draft Heads of Terms, following Committee discussion,



incorporating: Governance (Reserved Matters, Board, Deadlock, Dispute Resolution); Structure (LLP direct participation; Exit routes; Planning, Allocations Policy, Support services – Council role; Hyde frameworks; VFM assurance; VAT on development).

- Progressed financial matters, including financial model assumptions sensitivity analysis and funding.
- In addition to briefings undertaken prior to the September Committee report, further briefings & updates for members have been undertaken since Committee, including: Estate Regeneration Members Board (17 October 2016); Labour Group (24 October 2016); Green Housing & New Homes Committee Members (31 October 2016), Green Group (31 October 2016); Conservative Housing & New Homes Committee Councillors (1 November 2016). Conservative Group (7 November 2016).
- A detailed response has also been prepared to questions on the potential joint venture with Hyde Housing raised by councillors and political groups. Questions arising from these meetings / groups are provided as a list of Frequently Asked Questions appended to this report.

## **Background**

- 3.3 Brighton & Hove is a growing city with high housing prices, low incomes, an ageing population and a significant proportion of households with support needs. There are over 23,000 households on the joint housing register, 1,800 households in temporary accommodation and rising homelessness. Social housing makes up only a small proportion of the overall housing in the city with 9.8% of homes owned by the local authority and 5.1% by Registered Providers (RPs).
- 3.4 Housing demand, growth in the private rented sector and rising rents have an adverse effect on affordability of housing in the city. This has contributed to a decline in owner occupation as those seeking to buy their own home are increasingly unable to take advantage of housing for sale either through cost or as a result of sales of residential accommodation meeting demand from buy to let or other landlord investors rather than prospective home owners.
- 3.5 This increasing housing demand, reduced public subsidy for affordable homes (in particular no funding for lower cost general needs rented homes) and a shift away from development of rented and family homes remain key challenges identified by the Council's Housing Strategy and Budget. This has an adverse impact upon the Council's ability to respond to the needs of a growing more diverse population and the council's capacity to maintain mixed and balanced communities and retention of lower income working households and employment in the city.
- 3.6 For stock holding authorities such as Brighton & Hove, the Housing Revenue Account debt cap, reduction in rental income of 1% per annum over four years and the potential impact of Housing & Planning Act (in particular proposed High Value Void tariff) will restrict resources available for new build and regeneration.
- 3.7 The HRA medium term and 30 year financial forecast was reported to Housing & New Homes Committee (13 January 2016) which showed that the Council is nearing its self-financing cap (or limit) on the amount of HRA borrowing permissible for capital investment. For Brighton & Hove this limit is currently set at £156.8 million and the outstanding debt reaches its peak in 2023/24 where the borrowing level is £147.4 million leaving headroom of only £9.4 million.

- 3.8 This position means that the Council needs to look at alternative funding and delivery mechanisms if it is to deliver the new affordable homes the city needs. The council has also been looking other opportunities including those related to the structures researched in the Housing Market Intervention project in order to deliver new homes potentially financed from outside the HRA.
- 3.9 Options to mitigate reduced public subsidy for affordable rented homes and Registered Provider shift away from development of this type of accommodation have been subject to regular discussion and review at our Affordable Housing Delivery Partnership (RPs, Homes & Community Agency (HCA) and council) meetings. In particular, as addressing the acute shortage of affordable rented homes and in particular family housing has been identified as a key priority in our Housing Strategy.

### **Joint Venture with Hyde Housing**

- 3.10 Hyde Housing Association (Hyde), a long standing member of our Affordable Housing Delivery Partnership, has approached the Council with a proposal which could deliver 1,000 new lower cost rental and sale homes for low income working households in the city whilst generating a long term return for the council and Hyde.
- 3.11 The proposed Joint Venture is an attractive opportunity for the Council to accelerate the delivery of lower cost homes for rent and sale for low income working households that the city needs whilst generating a return on our investment. Our legal advisors have provided advice that the Council can enter into the JV without a procurement process for the following reasons: There is no public contract in place between the Council and Hyde – entering into the joint venture itself need not involve the awarding of a contract for goods, works or services; this is public sector co-operation that is permitted under the procurement rules – both parties are public bodies for procurement purposes and could make use of inter-public body exemptions; public contracts that do exist can be awarded without a procurement process in light of what is known as the Teckal exemption – this allows entities controlled by and delivering activity for public bodies to be awarded contracts without a competitive procurement process.

### **The Hyde Living Wage Housing proposal**

- 3.12 This is a proposal for a JV partnership between Hyde and the council to be established as a 50:50 Limited Liability Partnership (LLP). The concept behind the Joint Venture is that the sum of the whole is greater than the value of the individual parts. By combining resources, funding, technical expertise and supply chain, the council and Hyde could deliver more together than individually.
- 3.13 There are risks and opportunities entering into any joint venture and there are a number of important considerations for the council. The first is selecting the right partner with the same objectives. The objectives of Hyde as a charitable housing association whose core purpose is as a housing charity providing low cost homes is a good fit with the council's aspirations to deliver a supply of good quality low cost homes for local people in housing need, including for low income working households essential to the economy of the city.
- 3.14 The joint venture model also enables the Council to access Hyde's commercial developer skills, expertise and resources, in particular the volume buying power of their framework agreements for both consultancy and construction services which would deliver commercial savings, reducing the cost of delivery. Hyde also has

substantial experience delivering major regeneration projects as part of its house building programme of circa 1,500 homes per annum. Hyde have an excellent track record of delivery of new homes within the city and the council is confident that the joint venture will deliver the new homes that are so needed in Brighton & Hove.

- 3.15 The cost and risk of developing the homes would be shared equally between the project partners as would the commercial returns.
- 3.16 The JV would deliver 1,000 new homes let and sold on sub-market terms:
- 500 homes at sub market prices which are affordable to rent for working Brighton & Hove residents earning the new National Living Wage (assumed delivery from 2019 onwards); and
  - 500 shared ownership homes affordable to buy for Brighton & Hove residents on average incomes.
- 3.17 Living Wage housing in this context is defined as a home provided at a cost which is at 40% of gross pay to a household earning the new national Living Wage. Current estimates are that this would require an average 40% discount on the market rent. This compares to a 20% discount for the Government's Affordable Rent product.
- 3.18 The Housing Strategy approved at Council in March 2015 highlighted key themes including the availability of affordable family homes, in particular rented homes, and the economic impact of this lack of housing supply on our ability to retain lower income working households and employment in the City. In our Housing Strategy we are committed work collaboratively with Adult Social Care, Children's Services and Health colleagues to meet our shared objectives including the availability of homes in the city to meet the needs of their workforce and those of other employers for whom the recruitment and retention of lower income workers in Brighton & Hove has increasingly become an issue. The proposed Living Wage Joint Venture would align to our strategic aim of contributing to addressing this issue.
- 3.19 The nature of the joint venture would provide the flexibility to sell homes from developments if it was in the JV's best interests. This is not currently envisaged, however the model would allow this flexibility subject to agreement from both LLP Members and within legal constraints on commercial activity.
- 3.20 The LLP will operate within the parameters of a Business Plan approved by both parties and subject to reserved matters. The initial Business Plan would be annexed to the shareholder agreement for the LLP (known as a Member's Agreement) which would be signed by the Council and Hyde. This is an important document that sets out, how the LLP will be run, including amongst other things: how profits are shared, who needs to agree decisions, members' responsibilities, dispute resolution and how members can join or leave the LLP.
- 3.21 It is proposed that the joint venture would have no direct staff, with services contracted in from the partners or from external contractors as necessary. The proposal from Hyde which is currently under consideration and is subject to negotiation is that they would provide development, sales and marketing and letting services to the JV with the Council providing financial and corporate services. There is an indicative allowance for corporate and financial services within the financial model. The provider of these services (which could be the Council) will need to ensure that full costs are recovered and this will be subject to

final schedule of service agreed with the LLP. A services agreement would be put in place with each of the partners at the point of forming the joint venture. It is yet to be agreed which party will provide the property management services.

- 3.22 The business case is supported by a Strategic Financial Viability Model (SFVM) to demonstrate a viable financial model and the scale of development that could be supported by an approximate level of investment. The council's Finance team have reviewed the financial model and its inputs, testing assumptions and auditing the validity of the outputs, i.e. carrying out due diligence on the business case and SFVM.
- 3.23 The initial proposal is for £105.47million total investment and Hyde propose that the council and Hyde both provide £52.7million funding to achieve this.
- 3.24 It will also be possible for the council to invest commuted sums it is able to raise from developers in lieu of onsite s106 affordable housing into the JV and therefore reduce the level of cash that the Council has to source from Public Works Loan Board (PWLB) or existing resources. The Council agreed how commuted sums should be calculated in relation to planning applications at the June 2016 meeting of Economic Development and Culture Committee and they are likely to continue to accumulate in the future. However it should be noted that the level of commuted sums collected is only likely to constitute a small percentage of the overall investment requirement. In addition, this is likely to be affected by the introduction of the requirement of Starter Homes on all major planning applications.
- 3.25 Value would be returned to the Council and Hyde through profit distributions and/ or repayment of debt in respect of loans made, with the balance depending on the final agreed approach to funding. Sensitivities and scenarios have been modelled evidencing the impact of various events including rising construction costs, changes to property prices, changes in rental amounts, interest rate assumptions and different accommodation sizes and standards. Profit generated from the JV will be an ongoing revenue income to the council as detailed in the Financial Implications section of this report and associated appendices.
- 3.26 An advantage of the proposed Limited Liability Partnership corporate structure is that the LLP Members retain their own tax profile. In other words the corporate structure is tax transparent and the profits would be subject to tax based on the corporate tax status and affairs of each individual LLP member.
- 3.27 Investment into the joint venture will be on State Aid compliant terms at a market rate. In the longer term the JV may opt to retain the portfolio but seek an external funder to invest.
- 3.28 The initial estimate of the investment requirement taken from the SFVM is detailed on the table below. The table details the anticipated development costs for each of the five years of the project. The Council contribution is based on half of these costs minus the anticipated annual shared ownership sales.

Year	Costs £M	BHCC £M	Sales £M	JV Debt £M
1	17.13	8.57	0	17.13
2	17.32	7.95	-1.41	33.04
3	45.50	14.28	-16.95	61.59
4	48.60	15.75	-16.95	93.10
5	35.92	9.48	-16.95	112.02
6	7.54	-3.30	-14.13	105.47

### Governance of the Joint venture

- 3.29 Governance of the JV will be key to ensuring it is able to operate effectively and meet the best interests of the Council and key considerations are outlined in more detail in Appendix 1. The Council will interact with, and be able to exercise control over, the joint ventures activities in three principal ways:
- as a landowner, with contractual rights governing what sites the Council wants to transfer and on what terms;
  - as a member of the LLP, which in broad terms is equivalent to being a shareholder of a company (i.e. an owner of the vehicle);
  - through appointees to the management board, which is comparable to a company's board of directors.

### Reserved Matters

- 3.30 The Council, and Hyde, will retain strategic control over the LLP's operation through their rights as members of the LLP. This will be achieved through the Council having the right to approve the LLP's annual Business Plan and the requirement that certain listed decisions, referred to as reserved matters, will have to be referred back to it rather than being within the discretion of the management board. It is proposed that this level of strategic control, i.e. the right to make decisions as member of the LLP, is retained by councillors. Reserved matters are likely to include:

#### *Officers and members of the LLP*

- Agreeing the appointment and the appointment terms (including any remuneration terms), or the removal, of any management board member other than one appointed by Hyde or the Council.
- Approving the admission of further members to the LLP or agreeing any rights or restricting attaching to any shares/equity allocated to such new members.
- Agreeing or approving any increase in the maximum size of the management board.

#### *Future direction and development of the LLP*

- Agreeing to enter into or entering into any debt facility or loan agreement other than the member loan agreements
- Forming any subsidiary or acquiring an interest in any other LLP or participating in any partnership or joint venture (incorporated or not).
- Amalgamating or merging with any other LLP or business undertaking.
- Selling or disposing of any part of the LLP
- Passing any resolution for its winding up or presenting any petition for its administration (unless it has become insolvent)
- Apply for the listing or trading on any stock exchange or market.

#### *Management of the business of the LLP*

- Changing the name of the LLP.

- Adopting and/ or agreeing any material amendments or variations to a Business Plan.
- Creating or agreeing to create a charge, security or encumbrance over the LLP's assets, interest or income.
- Changing the nature of the business of the LLP or commencing any new business which is no ancillary or incidental to the business.
- Agreeing to enter into or entering into any acquisition or disposal of any material assets by the LLP.
- Giving notice of termination of any arrangements, contracts or transactions which are material in the nature of the business or materially varying any such arrangements, contracts or transactions.
- Appointing and changing the LLP's auditors.
- Agree to make or making any loan (otherwise than by way of a deposit with a bank or the institution, the normal business of which includes the acceptance of deposits or in the ordinary course of business) or granting any credit (other than in the normal course of trading) or giving any guarantee (other than in the normal course of trading) or indemnity outside the normal course of business
- Changing the accounting reference date of the LLP
- Accepting any capital contributions in the LLP.
- Authorising the return of any capital contributed to the LLP to a member.
- Allocating and distributing any profit of the LLP.

3.31 The Council and Hyde will have the right to appoint a management board. The board will be given a role equivalent to a company's board of directors meaning the individuals will have duties to manage the activity of the LLP acting in the best commercial interests of the LLP for the benefit of the Council and Hyde as its members and will have the task and remit of implementing the Business Plan set by the Council and Hyde and subject to those matters / decisions reserved to the members. The main costs for running the board will officer and member time from the Council and Hyde and costs associated with arranging and holding board meetings. These will need to be covered by both parties in the JV and it is likely that council or Hyde building will be used to host board meetings.

3.32 The level of discretion given to the management board will depend on the precise framing of the Business Plan – i.e. how prescriptive or flexible it is – and what the reserved matters are.

3.33 The proposal is for a board of six, three to be appointed by Hyde and three by the Council. It is for the Council to determine who represents it on the Board and this could include elected member representation. There are arguments for and against, in the case of the latter largely around potential conflicts of interest, However, in response to feedback from Councillors, officers are working on the basis that the JV Board would require elected member involvement to enable agile decision making. This is ultimately a decision for elected members, for example it could be that the Council's elected member on the Board is the Chair of the Housing & New Homes Committee. The relatively low number of management board members should ensure that the LLP is focussed and operationally flexible, enabling it to deliver the objectives of the Living Wage proposal faster and in a more streamlined way. Potential conflicts of interest will need to be managed and these are outlined in more detail in Appendix 1.

### Allocations and nominations

- 3.34 The Living Wage proposal concurs with the Council's draft Allocation Policy which proposes an income cap against size of accommodation needed so that those high earners who can resolve their housing in the private rented sector are no longer on the Housing Register whilst retaining those on lower incomes who would benefit from the Living Wage housing. The income caps have been set such that households who could expect to pay more than half of their income on average market rents would be retained on the Register whilst those who would expect to pay a lesser percentage would no longer be on the Register and hence would ensure they do not benefit from Living Wage homes. The Council can also develop a Local Letting Policy for these properties to give priority to those on the Housing Register who are working.

### Land disposal to the Joint Venture

- 3.35 The Council may dispose of land to the JV on the basis of open market valuation assessed in line with legal obligations in respect of land disposals by councils to secure 'best consideration'. Any land disposal by the council would follow the usual processes and procedures within the council prior to transacting any disposal including Policy, Resources & Growth Committee approval in the normal way.
- 3.36 The joint venture would complete the transaction to purchase the land once it is satisfied that any scheme is viable as evidenced by the individual Scheme Financial Viability Appraisal (SFVA). Any land purchase by the JV would follow agreed corporate governance procedures within the JV as set out in the initial Business Plan.
- 3.37 For any disposal of land by the Council to the JV, the Council would follow all normal and prudent commercial practices, including obtaining the opinion of a professionally qualified independent valuer, in order to comply with the required legal process for any disposal of an interest in land.

### Hyde Procurement Frameworks

- 3.38 The proposal is that Hyde's procurement frameworks will be used for construction and professional services relating to the development of the homes. The frameworks Hyde have procured are accessible to the Joint Venture and the Council under procurement law. They have been procured following EU and UK procurement regulations and value for money has been extensively tested through this process. Hyde have shared full details of their frameworks with the project group, who have reviewed this documentation closely and are satisfied that they offer a good option for delivery of JV projects.
- 3.39 Other organisations have joined and used Hyde's frameworks so that they can access the services and reduce procurement timescales and complexity (including other housing associations, registered providers and local authorities). Hyde generally charge for access to their frameworks, and it is worth noting that other local authorities and housing associations are paying Hyde considerable

sums to use them. It has been negotiated and agreed that Hyde will not charge these access fees to the JV when the LLP is buying goods or services through Hyde's frameworks. The LLP will also benefit considerably from Hyde's volume buying power, providing efficiencies and economies of scale.

- 3.40 The Hyde frameworks include some suppliers that have previously or are currently in contract direct with the council, including Westridge Construction Limited, the main contractor under the successful Strategic Construction Partnership. Each development delivered under the framework will have its own procurement process within the framework with a mini-competition undertaken between contractors providing a further opportunity to test value for money, ensuring that economically advantageous price is achieved and reducing the risk of anti-competitive behaviour and/or supplier complacency.
- 3.41 The joint appointment of an independent Project Monitor / Quantity Surveyor will provide an additional layer of assurance for both the Council and Hyde as they will provide a full value for money assessment of each contract that is delivered through the JV. Projects will not proceed without assurance that the individual project represents value for money and is in accordance with the overarching Business Plan.

#### 4. RISK AND OPPORTUNITIES

- 4.1 A number of risks have been identified by the project team and the Council's legal advisors:

<b>Risk</b>	<b>Details</b>	<b>Action</b>
<b>Consents and Best Consideration</b>	Failure to structure arrangements to meet general consents could mean needing to go to the Secretary of State which would create uncertainty over timing and ultimately whether or on what terms consent would be given.	Legal advice has been taken to ensure regulations are met.
<b>State Aid</b>	An issue if contribution of land for no consideration or additional rights.	Legal advice has been taken that advise that the project is compliant
<b>Site identification</b>	Not able to identify suitable sites to transfer to the JV.	Sites are being reviewed and any council sites will be brought to future committees once confirmed as suitable for the JV.
<b>Project financing</b>	Understanding of financial risks and mitigation. Commuted sums may not be realised.	Extensive financial due diligence work has been undertaken to mitigate this risk, including modelling the council's investment assuming 100% borrowing and modelling various scenarios to test the sensitivity of



		the Strategic Financial Viability Model. Independent financial/treasury management advice will be sought as part of further due diligence review to ensure financial risk exposure to the council is kept to a minimum and benefits of the proposals are achieved.
<b>Governance</b>	The governance structure needs to be fit for purpose in managing delivery of development and does not cause inappropriate conflict issues that affect ability of the Council to manage the JV or the JV to manage its business.	Legal team have developed a range of options for the structure that have been discussed with Hyde.
<b>Planning</b>	Changes to national and / or local Planning policy framework. Including potential impact of Housing & Planning Act, in particular in relation to Starter Homes. Not able to gain planning permission for specific schemes or maximise capacity of sites.	Early planning advice will be taken on individual schemes. Planning Performance Agreements and Design Panels will be used for individual projects as required.
<b>Community opposition</b>	Potential opposition to schemes.	Communities will be engaged in a similar way to they have been for the New Homes for Neighbourhoods programme, for example using Planning for Real techniques.
<b>Tax</b>	Tax implication and liabilities such as SDLT and VAT need to be reviewed in relation to the proposed structure.	Tax advice has been given on the proposed structure and will continue to be reviewed with the progression of the JV proposals. The financial model includes An allowance for SDLT. Legal advice is that VAT liability is low risk as there are well established methods to ensure VAT is not payable of developments. Legal advice is that the council can directly enter the LLP, therefore the returns to the council would not liable for Corporation Tax. Counsel advice has been sought to confirm this.
<b>Policies and standards</b>	The current proposals do not fully meet the council's Affordable Housing Brief standards in terms of unit size, mix, Life Time Homes and percent of wheelchair accessible units. However the proposal	Sensitivity analysis has been undertaken on a range of potential changes in relation to these policies.

	does address issues of housing supply and in particular the provision of lower cost rented homes.	
<b>Housing Market</b>	Impact of any future economic uncertainty on the housing market and construction costs will be monitored. A significant fall in the housing market or increase in construction costs may require additional borrowing or increased percentage of sales.	Sensitivity analysis has been undertaken on a potential drop in house prices and increase construction costs. House prices would have to fall significantly to incur a loss on shared ownership sales.

## 5. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

5.1 The Council has a number of existing options to deliver of new lower cost homes in the city including: continued work with our Affordable Housing Development Partnership; our New Homes for Neighbourhoods Programme (subject to Housing Revenue Account borrowing Cap); joint work with Planning in support of delivering Planning Policy Affordable Housing Requirements; freedoms and flexibility to accelerate housing delivery sought as part of Greater Brighton Devolution proposals. For the reasons outlined in this report the Council has also been investigating a number of additional delivery options in order to find a range of mechanisms to increase the supply of affordable housing in the city. This includes the work undertaken in the recent Housing Market Intervention report by Trowers & Hamblins and Savills, as well as the JV proposals from Hyde Housing.

5.2 Alternative options that have been considered are provided in the list below. It is likely that a range of delivery options will be progressed in the longer term in order to maximise the delivery of new homes. Individual proposals would need to be agreed by relevant committees.

- Wholly owned council vehicle e.g. Housing Company
- JV with a Registered Provider
- A joint venture procured under The Public Contracts Regulations 2015
- Disposal of sites to private developers
- Do nothing

## 6. COMMUNITY ENGAGEMENT & CONSULTATION

6.1 General consultation on our approach to stimulating new house building, making best use of our Housing Revenue Account (HRA) assets and estate regeneration through the New Homes for Neighbourhoods programme has been undertaken with councillors, council tenants and leaseholders through reports and presentations to Housing & New Homes Committee.

6.2 Consultation with residents and ward councillors on specific schemes and sites will require a similar level of community engagement as with the existing New Homes for Neighbourhoods Programme, for example Planning for Real techniques. This has followed a comprehensive process with ward councillors, residents and other stakeholders engaged and consulted at all key stages of individual projects. Consultation will also be undertaken via the Planning process.

## **7. CONCLUSION**

- 7.1 The offer from Hyde to establish a Joint Venture company provides an excellent opportunity to combine resources and expertise to make a significant contribution to tackling the city's housing crisis by delivering additional lower cost homes for sale and rent to low income working households. It is considered that Hyde's track record of delivery, along with their scale and experience will enable the council to deliver new homes that represent value for money and that are of good quality.

## **8. FINANCIAL & OTHER IMPLICATIONS:**

- 8.1 This report sets out financial modelling in the form of the Strategic Financial Viability Model (SFVM) to develop a Business Case for the development of 1,000 new homes in a Joint Venture with Hyde. Although the overarching aim of this proposal is to provide 1,000 new homes at no net cost to the council (through any surpluses financing the debt), the current model also provides the council with a positive return after repayment of debt.
- 8.2 The recommendation therefore in this report is to support in principle the living wage proposal and give delegated authority to develop and negotiate the deal with Hyde, agreeing the Heads of Terms and other principle documentation to implement the proposed Joint Venture. If this recommendation is approved, finance officers, as part of the JV project team, will continue to review the SFVM and ensure financial due diligence is followed throughout the process to ensure financial risk exposure to the council is kept to a minimum and benefits of the proposal are achieved. This will include obtaining independent financial advice to support the council through the negotiations and implementation of the Joint Venture.
- 8.3 It is anticipated that the cost of this independent financial advice will be met through the capital budget of £0.151 million, which was approved for legal and financial advice for Housing Delivery Options. If there are any significant variations to costs, this would be reported and approval sought through the councils budget management process.
- 8.4 Officers have reviewed the SFVM for the Hyde Joint Venture proposal, which includes a review of its inputs, testing of the assumptions and auditing the outputs, and have carried out various sensitivity analysis of the SFVM. Part 2 of this report (Appendix 4), includes a summary of the financial model results, main assumptions used and sensitivity analysis that has been carried out.
- 8.5 The JV proposal requires £105.47 million total investment to develop 1,000 new homes over a 5 year period. The proposal is that Hyde and the council provide 50/50 funding of £52.7 million each to fund the investment requirements.
- 8.6 The council has yet to decide how it will fund its investment into the Joint Venture and this decision will be informed by the structure of the LLP (including whether the council directly enters into the LLP or through a wholly owned company). The council's investment of £52.7 million will be financed mainly from borrowing and some commuted sums. The initial financial modelling carried out assumes the council will undertake borrowing to fund its equity investment, this shows that the

returns on investment will achieve surpluses to the council after financing costs of borrowing (both interest and capital repayments). The financial modelling shows that the council's share of surpluses are forecast to total £221.4 million over 64 years with a net present value (NPV) £37.6 million (i.e. the return at today's values).

- 8.7 How the council enters into the LLP and the terms of funding could impact on the amount of forecast return to the council, which could reduce the cash surplus after borrowing costs and corporation tax liability. Sensitivities modelled in appendix 4 show that returns to the council would still be positive and are therefore still recommended. One of the principal documents to be developed is the Members' Agreement which will govern the commercial terms of the joint venture and how the two parties will jointly run and fund the LLP.
- 8.8 The table in paragraph 3.28 provides the forecast investment requirement for the JV profiled over the first 5 years. Any borrowing undertaken by the council to fund the council's share of investment will need to be included councils capital borrowing limits which are approved Policy, Resources and Growth Committee.
- 8.9 The council will need consider how it is going to cover the financing costs of borrowing during the construction stage and include this in its medium term financial plans. This will be required to be funded through the General Fund and the best economic option for this interest cover will need to be considered as part of the council's Treasury management decisions. Initial estimates of the total cost to the General Fund could be in the range of £0.023 - £0.045 million over a 4 year period.
- 8.10 The reserved matters will include any Business Plans and disposal of land/sites to the JV and will be reported to appropriate committees for approval. Each development will be have its own viability model and will only proceed if it is consistent with the approved overarching Business Plan .
- 8.11 As with other new developments in the city, the council will also receive income associated with the development of these 1,000 new homes. S106 income is estimated in the region of £6.0 million. It is also estimated that the delivery of an additional 1,000 properties in the city would raise in the region of £0.830 million in council tax income per annum, this is a prudent estimate based on a number of assumptions such as council bands, discounts applied and assumed council tax increases. It is difficult to assess the additional revenue relating to the New Homes Bonus scheme as the Government is amending the scheme to sharpen the incentive whilst reducing the overall funding, including looking at a maximum of 4 years payments instead of 6 years but potentially could go as low as 2 years. Under the current scheme, the council could receive a maximum of £1.25 million per annum over 4 years for delivery of 1,000 properties, if these were over and above the number of properties that fall out of the scheme or potentially receive a significantly reduced sum.

Finance Officer consulted: Susie Allen

Date: 07/11/16

Legal Implications:

- 8.12 As set out in the body of the report, the council has appointed Bevan Brittan LLP as its legal advisor and continues to provide advice to the council in relation this matter. The legal advice so far is set out in the body of the report as well as in the Appendices attached to this report.

Lawyer consulted: Jo Wylly

Date: 7/11/16

Equalities Implications:

- 8.13 An increase in housing supply will extend opportunities to provide new, well designed homes to accommodate local households on the Housing Register who are in housing need.

Sustainability Implications:

- 8.14 Attaining high sustainability standards is an important in delivering homes that are energy efficient, minimise carbon emissions and reduce water usage. Addressing fuel poverty and reducing total costs of rental or ownership is also an important consideration.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Bevan Brittan advice to BHCC on the Joint Venture proposal
2. Draft Heads of Terms
3. Frequently Asked Questions
4. Part 2 Summary of Strategic Financial Viability Model and sensitivity analysis (see item 46 on Part Two of the agenda)
5. Conservative Group & Green Group Amendments

### **Documents in Members' Rooms**

None

### **Background Documents**

1. Housing Delivery Options - Housing & New Homes Committee Report 2 March 16
2. Housing Delivery Options – Policy & Resources Committee Report 17 March 16

### Crime & Disorder Implications:

- 9.1 The development of Special Purpose Vehicle and / or Joint Venture partnerships offers the opportunity to provide new, well-designed homes which link to the council's wider regeneration aspirations for the city, including the council's economic development and sustainability objectives. Well-designed urban housing has been shown to influence the rate of crime and disorder as well as the quality of life for future occupants.
- 9.2 Vacant sites can sometimes attract anti-social behaviour. With careful planning, the future development of these sites is likely to improve the safety of existing neighbourhoods by reducing crime and the fear of crime.

### Public Health Implications:

- 9.3 There are strong links between improving housing, providing new affordable homes and reducing health inequalities. Energy efficient homes which are easier and cheaper to heat are likely to have a positive influence on the health of occupants of the new homes.

### Corporate / Citywide Implications:

- 9.4 Increasing Housing Supply is a City Plan and Housing Strategy priority. In particular, meeting our housing target of 13,200 new homes in the City by 2030.
- 9.5 In addition, in our Housing Strategy (2015) priority of increasing housing supply to meet identified needs, we are committed to work collaboratively with Adult Social Care, Children's Services and Health to reduce long term social care cost pressures and address issues arising with recruitment and retention of lower income staff in the City essential to the operation of these services.
- 9.6 In exploring Housing Delivery Options we are also working in support of the following Corporate priorities:
  - **Increasing Equality**- Coordinate services and spending better between public services to improve equality.
  - **Economy, Jobs and Homes** - Enable development of new, affordable homes, working with government, Registered Providers and other partners to maximize investment.
  - **Health & Wellbeing** - support for key worker housing to meet Health and Social Care employee requirements.
  - **Contributing to the Medium Term Financial Strategy** - Maximising New Homes Bonus and Council Tax revenue resources through improving housing supply; Ensuring Housing investment aligns with the Corporate Plan priorities.
  - **Greater Brighton** – Accelerating housing delivery through exploring housing market intervention / housing company models at a Greater Brighton level. Delivering activity alongside other initiatives and ensuring that the

strength of the housing market is captured to meet local needs including housing type and tenure

9.7 The JV will bring a number of benefits to the city and council including:

- 1000 new affordable homes
- Potential long term revenue income from surpluses
- Regeneration of key sites and public realm improvements
- Each new home has potential to generate new Council Tax and New Homes Bonus
- Potential £3 of economic output for every £1 of public investment based on national calculations
- Apprenticeships and training



## BRIGHTON & HOVE CITY COUNCIL

### ADVICE ON JOINT VENTURE WITH HYDE HOUSING

#### 1 OVERVIEW

- 1.1 Brighton & Hove City Council (**Council**) is considering a proposal by Hyde Housing (**Hyde**) to enter into a corporate joint venture for the purposes of acquiring and developing property for the provision of sub-market rent products linked to living wage and shared ownership housing (**Living Wage Proposal**).
- 1.2 This is a summary paper providing headline advice on the legal viability of the proposal highlighting key areas that will require further advice if the proposal is developed further.
- 1.3 The Living Wage Proposal is a legally viable structure. The joint venture could be structured so that the Council could enter into the arrangements with Hyde without a competitive procurement process. Whilst there is no legal requirement to undertake a competitive procurement process, the Council should satisfy itself as to the appropriateness of Hyde as a partner and the commercial terms being proposed.

#### 2 LIVING WAGE PROPOSAL

- 2.1 The proposal is that:
- 2.1.1 the Council and Hyde enter into a 50 / 50 corporate joint venture established as a limited liability partnership (**LLP**);
  - 2.1.2 the LLP is established for the Living Wage Proposal;
  - 2.1.3 the Council and Hyde each contribute 50 per cent of the LLP's required capital (estimated by Hyde to be £54m each);
  - 2.1.4 the Council and Hyde will:
    - (a) each be entitled to appoint three members to the LLP's management board;
    - (b) appoint a chair of the board for the term of one year, which right will rotate between them, with the Council being entitled to exercise it first. The chair will not be entitled to exercise a casting vote in the event of any deadlock;
  - 2.1.5 the LLP purchases sites to deliver the development. These could be either sites identified by the Council as being potentially suitable or from third parties;
  - 2.1.6 the LLP appoints:
    - (a) contractors and professional team for development, from Hyde's frameworks where possible;
    - (b) Hyde's trading company (**HNB**) as development manager on a costs incurred basis;
    - (c) [Hyde] as housing and asset management services on a costs incurred basis;
    - (d) the Council or a third party to provide corporate and financial services;
  - 2.1.7 the Council and Hyde jointly appoint an independent project monitor who will undertake a value for money assessment of each proposed project with a view to either giving or refusing consent for it to be implemented by the LLP.

### **3 CORPORATE STRUCTURE**

- 3.1 The Council has the power to enter into the proposed structure, but would not necessarily need to set up a Council-owned intermediary trading company to do so.
- 3.2 A company is required where the Council is relying on the general power of competence (s.1 Localism Act 2011), as is proposed here, and is doing something for a commercial purpose. There is a question as to whether the purpose of the joint venture is commercial. If an activity's primary purpose is to make profit, either immediately or in the longer term, then it is reasonable to conclude that it is being performed for a commercial purpose. If the primary purpose is something else, but profit may be realised as an ancillary or incidental benefit, then that should not require the use of a company.
- 3.3 The Council has a strategic objective to increase affordable housing both within the housing revenue account (**HRA**) and also outside of it by using housing delivery vehicles. The Living Wage project is being established for the purposes of achieving this. It is reasonable to conclude that a company is not required and an LLP would not breach the requirement to use a company where something is done for a commercial purpose. There will be a residual risk of a court concluding otherwise as there does not seem to be any case law on the point even though the LLP model has been used this way before, for example, see [Matrix Homes](#) in Manchester, which was incorporated as an LLP.
- 3.4 If the joint venture is established for a commercial purpose, for example increased elements of private sale then the use of a company would be a lower risk approach. Hyde and the Council are obtaining a Counsel opinion on this point to provide assurance. If there is an unacceptable level of risk on direct participation the overall structure would stay the same but with the Council participating through a holding company which could for example be the wholly owned housing company being considered.
- 3.5 An LLP would be a viable vehicle for the joint venture and would offer tax transparency meaning tax is assessed in the hand of the members. This would be particularly advantageous if the Council enters into the LLP directly as the Council's share of revenue would be assessed for tax within the hands of the Council which would then be able to benefit from its advantageous tax position, e.g. exemption from corporation tax.

### **4 PROCUREMENT / SELECTION OF HYDE**

- 4.1 The Council is subject to procurement legislation that requires it to run competitive tenders when awarding contracts for goods, works or services. The Living Wage Proposal involves the Council selecting Hyde without a tender. There are a number of grounds that could justify the Council doing so and present a low risk procurement position, namely:
- 4.1.1 there is no public contract in place between the Council and Hyde – entering into the joint venture itself need not involve the awarding of a contract for goods, works or services;
- 4.1.2 this is public sector co-operation that is permitted under the procurement rules – both parties are public bodies for procurement purposes and could make use of inter-public body exemptions;
- 4.1.3 public contracts that do exist can be awarded without a procurement process in light of what is known as the Teckal exemption – this allows entities controlled by and delivering activity for public bodies to be awarded contracts without a competitive procurement process.

#### *Contracting authority status and contracting between the entities*

- 4.2 The LLP is likely to be classified as a contracting authority under the Regulations. This is because it will fall within the definition of "bodies governed by public law". Corporate bodies set up by local authorities or other contracting authorities are often classified this way even though there is the

potential to structure them so that they do not do so. The Regulations permit a controlling authority to contract directly (without a tender) with a controlled person and vice versa.<sup>1</sup>

- 4.3 In order to meet the requirements in respect of the LLP any intermediate companies should also be structured to be contracting authorities. This point, and HNB's contracting authority status, will need to be considered further with Hyde. It would not be an issue if a joint venture model involving direct ownership by Hyde and the Council is taken forward.
- 4.4 Although there are no plans in the current proposed structure for either the Council or Hyde to purchase goods, works or services from any of the other parties in the arrangement, the potential for them to do so will therefore exist.
- 4.5 Where there is only one controlling authority, the Regulations also explicitly permit the controlled person to award contracts directly to the controlling authority, known as "reverse" Teckal after the case the exemption was originally based on. However, the Regulations do not explicitly permit or prohibit an award by a controlled person where there is more than one controlling authority, as will be the case here. This may be relevant as the LLP may contract with the Council for corporate, finance and lending services, and with Hyde and HNB for housing management and development management services.
- 4.6 In our view it would be difficult to challenge successfully the award of such contracts on these grounds, particularly as they will be related to the wider Living Wage project, and will enable the LLP to meet the objectives for which it was established rather than to pursue alternative aims, perhaps competing with others on the market. The use of competitive procurement routes to appoint providers of services and works relating to the development, such as the frameworks as considered below, would mitigate risk as the market would still be engaged with the opportunity.
- 4.7 The appointment of Hyde for development and possibly also for management services is to be done on a costs incurred basis rather than for profit which supports the applicability of the procurement exemptions outlined above.

## **5 STATE AID**

- 5.1 The state aid rules prohibit the Council from transferring its resources to a third party in a way that could distort competition and affect cross-border trade in the European Union. This will need to be considered in relation to the selection of Hyde and the transfer of assets (e.g. land and funding) to the LLP or Hyde.
- 5.2 Where an advantage is being given to the LLP or Hyde the Council's best approach to mitigate state aid risk is likely to be relying on the market economy investor principle. This provides that if the Council can demonstrate that it is acting as a rational private sector investor in similar circumstances would, then the activity is not a breach of the state aid rules. To rely on this the Council should provide funding and any other resources transferred to the Living Wage LLP on market terms. This is what is being proposed in the Living Wage Proposal.
- 5.3 There is also an exemption in the state aid rules for support given to services of general economic interest, which include social housing. This is potentially relevant if any resources will be transferred by either the Council or Hyde at below market value, and will require additional terms to be included in the transfer documents to ensure that the requirements of the exemption are met. Structuring the transaction to comply with the SGEI exemption could be the best way of mitigating state aid risk in relation to any transfers of land at undervalue.

## **6 LAND TRANSFERS – MARKET VALUE, CONSENTS AND SDLT**

- 6.1 The Council will transfer land to the LLP as part of the Living Wage Proposal. In addition the LLP could purchase land from the market. The proposal for Council land to be transferred needs to be considered in light of the consent framework that exist for:

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<sup>1</sup> Regulation 12.

- 6.1.1 disposal of HRA property;
- 6.1.2 disposal general fund property; and
- 6.1.3 financial assistance, which could include both the funding of the vehicle and any gratuitous benefit such as transfer of land at undervalue.

*HRA Land*

- 6.2 Any disposal of HRA land will need to either have prior consent of the Secretary of State or compliance with one of the more general consents issued under s.32 Housing Act 1985. There is a general consent available in respect of disposal of vacant land which could be used.
- 6.3 Disposal of vacant land at less than market value is likely to constitute a financial assistance for the purposes of s.24 Local Government Act 1988 (**1988 Act**) requiring specific consent from the Secretary of State or compliance with one of the general consents under s.25 1988 Act. There is a general consent for disposal of vacant land which would require transfer of the freehold or leasehold of over 99 years and would prohibit the Council from maintaining or managing the housing.
- 6.4 There are not any current plans to use any HRA land and any disposal would be on market terms so this is not seen as an issue.

*General fund land*

- 6.5 The Council has a broad power to dispose of property held in the general fund in any manner it wishes subject to an obligation to do so for the best consideration reasonable obtainable (s.123 Local Government Act 1972).
- 6.6 The Council can dispose of property held in the general fund for less than market value provided that consent is obtained from the Secretary of State. The Local Government Act 1972 General Disposal Consent (England) 2003 (**General Consent 2003**) is a wide reaching consent that allows disposal at an undervalue to promote economic, social or environment wellbeing. The difference between the market value and the consideration must not exceed £2 million, and a "professionally qualified valuer" must give a view as to the likely amount of the undervalue. If open space will be disposed of then there are additional publicity requirements.
- 6.7 In determining what the value of the land is for this purpose it is the unrestricted value that is considered, i.e. the amount which would be received for the disposal of the property where the principal aim was to maximise the value of the receipt. Voluntary restrictions imposed by the Council, such as a restriction in the proposed lease to use the land for social housing, would not be taken into account.
- 6.8 If one of the general consents is not applicable then the Council would need to approach the Department for Communities and Local Government to obtain Secretary of State consent to the disposal on the proposed terms. There is not a statutory framework for this process so it would be uncertain as to how long it would take and whether it would be given.
- 6.9 Where land is appropriated to planning purposes then it would need to be disposed of for market value unless the Council obtained SoS consent to an undervalue disposal. This requirement overrides the General Consent that allows a disposal at an undervalue of up to £2m (as considered in paragraphs 6.6 to 6.8).
- 6.10 This has the potential to be a significant factor given the Council would need to appropriate to planning to benefit from s.237 Town and Country Planning Act 1990 which allows for override of easements or interests annexed to land, such as right to light or support which is common with developments.
- 6.11 Again, the proposal is for land disposals to be at market value so it is not envisaged that there will be any issue in relation to best value duties or planning appropriation.

## *SDLT*

- 6.12 The entity/entities will be subject to Stamp Duty Land Tax (**SDLT**) on land purchases, including the acquisition of land from the Council as the transaction.
- 6.13 The deemed market value rules for SDLT purposes apply on a transfer to a connected company or on a transfer by a partner to a partnership so, regardless of whether the joint venture entity is a company or an LLP, the market value rules could apply. The mechanism for determining market value follows the capital gains tax mechanism, which considers (in effect) what the consideration would be in a hypothetical sale at arms length (there are more details in the RICS Valuation Professional Standards).
- 6.14 The valuation would take any covenant imposed by the Council on the use of the land, e.g. restriction for social housing, into account – assuming that it affected the property at the transfer date. However, HMRC are unlikely to accept that there is *no* market value, although they may be prepared to agree that the market value is *de minimis* and potentially below the threshold, if a valuation following the RICS standards would determine that the market value was below threshold.
- 6.15 In *IRC v Gray (Executor of Lady Fox decd.)* it was held that valuation must be based on the assumption that the property *could* be sold in the open market, even if it was in fact inherently unassignable or held subject to restrictions on sale. The relevant question to value the property is what a purchaser would have paid to enjoy whatever rights were attached to the property at the relevant date, assuming such a hypothetical sale.
- 6.16 The SDLT payable is based on a formula which - effectively - means that the market value of the share that is allocable to the other partners (i.e.: other than the one contributing) is subject to SDLT. So, in a 50/50 partnership, a contribution of land by one partner to the partnership would result in an SDLT charge on 50% of the market value of the property.
- 6.17 Group relief will not be available for acquisitions from the Council as the Council's interest in the joint venture will be below that required for SDLT group relief to be available and, in the case of an LLP, an LLP cannot be a qualifying subsidiary for SDLT group relief in any case as it has no share capital and so cannot meet the definition.

## **7 GOVERNANCE**

- 7.1 The governance structure for the joint venture will be framed by the Council's role and rights as a member of the LLP, even if this is indirectly through a company. There would also be a board charged with management of the LLP.
- 7.2 The members of the joint venture will retain strategic control over the operation of the vehicle through the right to approve, and monitor delivery of, a business plan and the requirement that certain listed decisions, referred to as "reserved matters", must be referred back to the owners rather than being within the discretion of the board. The principle is that the joint venture partners approve the business plan and the board then have the remit and discretion to implement it subject to the reserved matters. The level of discretion given to the board depends on the framing of the business case – i.e. how prescriptive or flexible it is – and what the reserved matters are.
- 7.3 The board of the LLP would be given a role equivalent to role of a board of directors on a company. Although a board member of an LLP is not the same as the director of a company, it is common in the governance documents to treat the position as the same meaning the individual will have duties to act in the best commercial interests of the LLP for the benefit of both parties. The Living Wage Proposal suggests a board of six, three to be appointed by Hyde and three by the Council. It would be possible for members or officers of the Council to be board members. On a joint venture of this nature focused on delivery of operational matters an officer majority board would typically be recommended with strategic and significant control retained to members via the shareholder or LLP member rights. It is proposed that there is one councillor and two officers appointed.
- 7.4 It is generally easier to manage conflicts of interests issues for an "officer board member" than for an elected member as the Council can agree to the officer continuing to act as an officer despite

potential conflicts and agree not to take action against the individual where the individual is required to act contrary to the interests of the Council due to the person's role as a board member.

- 7.5 Where a board member is a councillor, the person must disclose any potential conflicts of interests and observe the requirements of the Code of Conduct of the Council. The board member must also be careful (when undertaking their Council role) to behave in ways which avoids suggestions of bias or predetermination.
- 7.6 Whilst the Council could grant a dispensation under the Code of Conduct to allow a councillor to continue to take decisions relating to the joint venture within the Council, it is not possible for the Council to avoid accusations of bias or predetermination, especially if the councillor is particularly senior. Participation on the board of the joint venture could therefore preclude a councillor from being involved in decisions within the Council relating to the joint venture and this will need to be a factor in deciding what councillor(s) would be suitable to act on the board.
- 7.7 The risks around conflicts for officer board members are hard to manage where officer directors are responsible within the Council for decisions materially affecting the vehicle. This risk is best mitigated by not putting Council officers who are directors of Council vehicles or joint ventures in roles where they have to make decisions relating to those vehicles. For this reason we would advise against statutory officers (monitoring officer, s.151 officer and the head of paid service) being appointed as board members as they may be required to undertake their statutory roles in relation to the vehicle at some point which would raise difficult conflicts. If this is a requirement we advise careful thought and further advice is taken on how to mitigate the impacts.

**4<sup>th</sup> November 2016**

## Living Wage Joint Venture

### Heads of Terms v.7 24.10.16

#### 1 BACKGROUND

- 1.1 Hyde Housing Group (**Hyde**) and Brighton & Hove Council (**Council**) wish to work together in partnership. They intend to establish a limited liability partnership (**LLP**) to act as a joint venture vehicle for the construction of 1000 homes to meet the needs of the residents of Brighton and Hove<sup>1</sup>. These will include a new Living Wage rent housing model for low income working households and shared ownership homes. The activity will generate an annual surplus to be distributed to Hyde and the Council as the members of the LLP.
- 1.2 Various Council-owned properties have been identified as potentially being suitable for the joint venture. Any decision by the Council to dispose of any property to the LLP would be a decision for the Council undertaken in accordance with the Council's normal governance and procedural arrangements for disposal of land. Various additional properties owned by the Council, or properties owned by Hyde or any third party, may be identified from time to time and the parties will decide whether to pursue the acquisition and development of those properties on a case by case basis in accordance with the documents referred to in paragraph 2.
- 1.3 These heads of terms represent the commercial agreement of the parties at the current stage of negotiations. Whilst this document therefore reflects a reasonably advanced agreed position on the fundamental features of the joint venture, these heads of terms are not exhaustive or intended to be legally binding<sup>2</sup>. The parties only intend to be legally bound to one another when they enter into formal contracts for that purpose.

#### 2 DOCUMENTATION

- 2.1 The joint venture will be based around the following principal documentation:
- 2.1.1 overarching strategic land agreement (**OSLA**)
  - 2.1.2 limited liability partnership members' agreement (**Members' Agreement**)
  - 2.1.3 [funding agreements]
  - 2.1.4 development management agreement (**DMA**)
  - 2.1.5 asset management agreement (**AMA**)
  - 2.1.6 residential management agreement (**RMA**)
  - 2.1.7 corporate and financial services agreement (**CFSA**)
- 2.2 In addition, the members will approve a Business Plan and financial model. Any material amendments to the Business Plan and/or financial model will require the approval of the LLP's members.

<sup>1</sup> Advice is being taken on how the structure could work to ensure minimal irrecoverable VAT. This may require an additional company (a "VAT Shelter") to enable separation between asset ownership and development or the use of one of the Hyde companies to develop.

<sup>2</sup> Confidentiality and exclusivity are normally elements that are sometimes made legally binding. It is assumed that there are no legally binding elements given the NDA that has been signed and no proposal for exclusivity.

### 3 OSLA

#### 3.1 Parties:

3.1.1 Council;

3.1.2 [Hyde]; and

3.1.3 LLP.

3.2 The OSLA will govern the arrangements between the Council [and Hyde] as landowners and the LLP. This will allow the Council [and Hyde] to establish a clear separation of duties and responsibilities when dealing with the LLP in their capacity as a landowner.

3.3 The OSLA will provide appropriate controls, protections and mechanisms for the timing of the drawdown of land from the Council and/or Hyde into the LLP. The following controls, protections and mechanisms are envisaged:

3.3.1 the circumstances under which properties will be transferred into the LLP;

3.3.2 an option for the LLP to call down identified properties once the relevant property is vacant;

3.3.3 the obligations to be performed by each of the Council or Hyde and the LLP in order to prepare and enable properties to be drawn down:

(a) when a property is ready to be drawn down, the LLP will have a period of [ ] months within which to exercise a drawdown option and if the option is not exercised within this period it will lapse and the property will cease to be included in the OSLA;

(b) all properties will be drawn down on the basis of either a lease or a freehold transfer which will be granted by the landowner to the LLP. Properties may not be drawn down for land banking but must be developed in accordance with the agreed Business Plan. The option preconditions will be framed so that at the time of draw down, a property must be ready for development in accordance with the Business Plan for that property;

3.3.4 the price to be paid for a property will be established (or verified) upon draw down on the basis of a pre-agreed appraisal and approval methodology including circumstances where less than market value consideration is to be provided;

3.3.5 preconditions for exercise of draw down option – any option to draw down a property will become exercisable by the LLP when the following have been achieved:

(a) the LLP has adopted a Business Plan for the relevant property (which is consistent with the overarching LLP Business Plan) and includes an indicative development programme for the property;

(b) the proposed development scheme satisfies a viability test in accordance with the overarching LLP Business Plan and there is a development appraisal adequately costed and verified in sufficient detail to support the viability test;

(c) the project monitor or development manager has signed off a value for money certificate in respect of construction costs;



- (d) the project monitor or development manager has provided a report to the LLP on likely values and costs within specified parameters to support the development appraisal;
  - (e) vacant possession can be obtained when needed (and/or arrangements for further decant are in place);
  - (f) planning consent has where relevant been obtained by the LLP for the development (or first phase if a multi phased scheme). The assumption in respect of any Council property is that the costs of obtaining planning permission will be met by the LLP (funded 50:50 by the LLP's members) and the property will be valued and transferred with the benefit of planning permission;
  - (g) funding has been agreed for the development (or first phase);
  - (h) any required amendments to the pro forma lease or transfer documentation for the relevant property have been approved by the landowner (acting reasonably); and
  - (i) any consents for disposal which have not already been obtained have been given; and
- 3.3.6 viability test – prior to exercising any draw down option, the LLP must be satisfied that development is viable in accordance with the Business Plan and financial model. Viability testing (and market analysis) will be on the basis of pre-agreed required levels for IRR for development so that the viability test (and the resulting residual land value), is determined by external or objective market criteria. Elements such as construction costs and anticipated values must have been costed and verified in sufficient detail to ensure that the viability test is robust. This will in part be satisfied by the project monitor/development manager signing off or reporting on certain aspects of the proposed development, as set out above.
- 3.4 Separately, the Council may wish to obtain its own independent report to ensure it is satisfied that the resulting land value and "value for money" analysis meets the Council (as landowner)'s regulatory and constitutional requirements for land disposals.
- 4 MEMBERS' AGREEMENT**
- 4.1 Parties:
- 4.1.1 Council;
  - 4.1.2 [Hyde] [Hyde New Build]<sup>3</sup>; and LLP.
- 4.2 The parties will make the following funding available by way of non-interest bearing debt to the LLP:
- 4.2.1 Council: £[ ] on the timetable provided at Schedule [ ];
  - 4.2.2 [Hyde] [HNB]: £[ ] on the timetable provided at Schedule [ ];
- 4.3 on terms to be agreed between the members and the LLP and recorded in member loan agreements. The parties will hold the following interests and voting rights in the LLP:
- 4.3.1 Council: [50]%
  - 4.3.2 [Hyde] [HNB]: [50]%

<sup>3</sup> To further mitigate any risk associated with the question of whether the Council can directly participate in LLP Hyde's 50% interest may be shared between two entities

- 4.4 The Members' Agreement will govern the commercial terms of the joint venture and how the two parties will jointly run and fund the LLP.
- 4.5 The stated business of the LLP will be: [ ].
- 4.6 Strategic control over the operation of the LLP will be retained by the members through the right to:
- 4.6.1 approve the LLP business plan; and
  - 4.6.2 make decisions on a unanimous basis in respect of those matters listed at schedule 1 (**reserved matters**).
- 4.7 If a matter which would otherwise be a reserved matter is included in the Business Plan, then there is no requirement to obtain an additional approval in respect of that matter and the LLP has the authority to proceed and implement it. As a result, reserved matter approval should only be sought in respect of matters outside the Business Plan.
- 4.8 The parties will establish an LLP management board comprising of [six] individuals:
- 4.8.1 Hyde appointees: [ ];
  - 4.8.2 Council appointees: [ ].
- 4.9 One member of the board shall be appointed as chair for an annual term. The right to appoint the chair shall rotate between the parties and the Council shall make the first appointment. The chair will not have a casting vote.
- 4.10 The parties do not intend that a management board member will provide any goods or services to the LLP in a personal capacity. Accordingly, the LLP shall not remunerate any member of the management board and expenses shall only be paid in accordance with a policy approved from time to time.
- 4.11 The management board will have the task of delivering the business plan.
- 4.12 Each management board member shall have one vote on any matter unless he/she has a conflict of interests. A conflict of interests in this context means a personal conflict, a conflict between his/her appointing member (or member of its group) and the LLP (including under any contracts between them) or actual or alleged default of that member under the Members' Agreement. If at any point a conflict of interest arises, the conflicted member and its appointees to the management board member shall be excluded from the LLP's decision-making processes in respect of the matter giving rise to the conflict of interest.
- 4.13 Any deadlocked decision at management board level (arising by reason of the same number of votes cast for and against a resolution, or by reason of a lack of quorum) may be referred by any management board member to the members for resolution.
- 4.14 If at any point the members are unable to agree as to how the LLP should proceed in relation to a reserved matter or a matter referred to them by the management board, a deadlock shall have arisen and the following deadlock resolution procedure shall apply:
- 4.14.1 the matter shall be escalated within each member's organisation to [ ] for the Council and [ ] for Hyde;
  - 4.14.2 failing resolution it may be referred by either member to non-binding mediation; and
  - 4.14.3 failing resolution through mediation, either member may give notice that the LLP should be independently valued and sealed bids made by each member for the other member's

equity and debt interests in the LLP. In the event neither member makes a bid, the parties shall do all things necessary to approve a winding up of the LLP.

- 4.15 If a member suffers or commits a default event under the Members' Agreement (broadly, a change of control, unremedied material or persistent breach or insolvency), the other member shall have the right, but not the obligation, to acquire the defaulting member's equity and debt interests in the LLP at 90% of the fair value of those interests as determined by an independent valuer.
- 4.16 A member may transfer its equity and debt interests in the LLP:
- 4.16.1 at any time, to another member of its group, provided the transferee has a sufficient financial covenant to meet its obligations under the Members' Agreement, and provided that there is a transfer back in the event the transferee leaves the group of the original member transferor;
  - 4.16.2 at any time, with the prior written consent of the other member;
  - 4.16.3 after an initial lock in period (equivalent to practical completion [*in respect of which development?*] plus one year), to a third party but only after offering those interests to the other member on the same terms.
- 4.17 Any incoming third party shall be required to adhere to the terms of the Members' Agreement and the Business Plan then in force. In no circumstances shall a transfer of interests in the LLP be permitted where the transferee is an "unsuitable person" (broadly, a person with a material interest in the production, distribution or sale of tobacco, alcohol or pornography, any person whose activities are incompatible with the provision of housing services or services to the public sector in general, or any person who poses or could pose a threat to national security).
- 4.18 On the [seventh] anniversary of the Members' Agreement and on the expiry of each subsequent seven year period, the members will consider their continued relationship and each of them will have the following rights:
- 4.18.1 to call for the sale of the LLP's assets and its liquidation; and
  - 4.18.2 [alternative exit events].

## 5 DEVELOPMENT MANAGEMENT AGREEMENT

- 5.1 Development Management Agreement between the LLP and HNB for the management of all development services (**DMA**).
- 5.2 The LLP will appoint HNB pursuant to the DMA in a form to be agreed, but which will include the following key items:
- 5.2.1 a fee calculated on costs (including costs of the Chief Executive, overheads, business rates, etc.) as signed off by the project monitor, to be payable in accordance with the agreed relevant financial model;
  - 5.2.2 an agreed scope of service; and
  - 5.2.3 [*other key terms to be determined including relationship with proposed project monitor role*]

## 6 ASSET MANAGEMENT AGREEMENT & RESIDENTIAL MANAGEMENT AGREEMENT

- 6.1 The new homes will be managed by [ ] who will provide both housing management and asset management services.

- 6.2 The LLP will appoint an housing and asset manager pursuant to a management agreement in a form to be agreed with:
  - 6.2.1 an agreed scope of services and KPIs;
  - 6.2.2 a fee calculated on costs as signed off by the project monitor, to be payable being not less than [TBA] subject to [RPI][CPI] increase; and
  - 6.2.3 [ ]

**7 CORPORATE AND FINANCIAL SERVICES AGREEMENT**

- 7.1 Corporate and Financial Services Agreement between the LLP and [ ] for company secretarial, tax and accounting services (**CFSA**);
- 7.2 The LLP will appoint a provider pursuant to a services agreement in a form to be agreed and following an open tender process against an agreed scope of services and KPIs, and including the following key items:
  - 7.2.1 a fee calculated on costs as signed off by the project monitor, to be payable being not less than [£ ] a month subject to [RPI][CPI] increase];
  - 7.2.2 an agreed scope of services; and
  - 7.2.3 [ ]

These heads of terms are non - binding and subject to contract.

.....  
Signed for and on behalf of Hyde Date

.....  
Signed for and on behalf of the Council Date

## Schedule – Reserved Matters

### Officers and members of the LLP

- 1 Agreeing the appointment and the appointment terms (including any remuneration terms), or the removal, of any management board member other than one appointed by Hyde or the Council.
- 2 Approving the admission of further members to the LLP or agreeing any rights or restrictions attaching to any shares/equity allocated to such new members.
- 3 Agreeing or approving any increase in the maximum size of the management board.

### Future direction and development of the LLP

- 4 Agreeing to enter into or entering into any debt facility or loan agreement other than the member loan agreements
- 5 Forming any subsidiary or acquiring an interest in any other LLP or participating in any partnership or joint venture (incorporated or not).
- 6 Amalgamating or merging with any other LLP or business undertaking.
- 7 Selling or disposing of any part of the LLP.
- 8 Passing any resolution for its winding up or presenting any petition for its administration (unless it has become insolvent).
- 9 Apply for the listing or trading on any stock exchange or market.

### Management of the business of the LLP

- 10 Changing the name of the LLP.
- 11 Adopting and/ or agreeing any material amendments or variations to a Business Plan.
- 12 Creating or agreeing to create a charge, security or encumbrance over the LLP's assets, interest or income.
- 13 Changing the nature of the business of the LLP or commencing any new business which is not ancillary or incidental to the business.
- 14 Agreeing to enter into or entering into any acquisition or disposal of any material assets by the LLP.
- 15 Giving notice of termination of any arrangements, contracts or transactions which are material in the nature of the business or materially varying any such arrangements, contracts or transactions.
- 16 [Appointing and changing the LLP's auditors].
- 17 Agree to make or making any loan (otherwise than by way of a deposit with a bank or other institution, the normal business of which includes the acceptance of deposits or in the ordinary course of business) or granting any credit (other than in the normal course of trading or giving any guarantee (other than in the normal course of trading) or indemnity outside the normal course of business.
- 18 Changing the accounting reference date of the LLP.
- 19 Accepting any capital contributions in the LLP.

- 20 Authorising the return of any capital contributed to the LLP to a member.
- 21 Allocating and distributing any profit of the LLP.

DRAFT

## **Frequently Asked Questions**

### **Potential Joint Venture between Brighton & Hove City Council and Hyde Housing Association**

#### **1. Why is the council proposing to enter into a Joint Venture?**

*The proposed Joint Venture is an attractive opportunity for the Council to accelerate the delivery of lower cost homes for rent and sale for low income working households in Brighton & Hove whilst generating a return on our investment. This proposal supports Housing Strategy priorities around improving the supply of affordable homes and City Plan priorities around meeting the need for new housing in the City.*

*The Council has been looking at a range of funding and delivery mechanisms to meet our identified need for lower cost homes the city needs. Hyde Housing Association (Hyde), a long standing member of our Affordable Housing Delivery Partnership, has approached the Council with a proposal which could deliver 1,000 new lower cost rental and sale homes for low income working households in the city.*

*This is one of a number of options we are proposing to deliver new lower cost homes in the city, including;*

- A wholly owned Council housing company, building upon Government funded Housing Market Intervention research reported to Housing & New Homes Committee in March 2016;*
- Continued work with our Affordable Housing Delivery Partnership including Registered Provider partners, the Council and the Homes & Communities Agency;*
- Our New Homes for Neighbourhoods Programme, subject to current limitations of the Housing Revenue Account (HRA) borrowing cap;*
- Making best use of existing stock through our Hidden Homes and conversions projects, supporting delivery of new homes as part of our HRA Asset Management Strategy;*
- Joint work with Planning in support of delivering Planning Policy, Affordable Housing Requirements;*
- Freedoms and flexibilities to accelerate housing delivery in the city sought from Government as part of Greater Brighton Devolution proposals.*

*Hyde have developed a distinctive proposal with both types of homes tailored to the specific needs of local people within Brighton & Hove. The opportunity is attractive as it can be delivered quickly as it does not require a lengthy procurement and mobilisation process. It also has the advantage of being a partnership with a trusted partner who has similar aims to the Council and are the only developing Housing Association currently based within the city's boundaries. Hyde also have an excellent track record of delivering new build projects within the city and have delivered more new affordable homes than other Registered Providers and developers in recent years. Hyde also have a good history of bringing additional benefits such as employment, training and apprenticeship opportunities for local people. This makes the JV an attractive opportunity for the Council to accelerate the delivery of lower cost homes for*

rent and sale for low income working households that the city so desperately needs whilst generating a return on our investment.

## **2. What is the Living Rent Joint Venture Proposal?**

The proposal is to establish an equal Joint Venture (JV) Limited Liability Partnership (LLP) between Brighton & Hove City Council and Hyde Housing Association. The partners would provide equal funding to build new homes for low working households in Brighton & Hove. The JV would aim to deliver 1,000 lower cost homes for rental and sale, including:

- 500 lower cost homes at sub market prices which are affordable to rent for working Brighton & Hove residents earning the new National Living Wage (assumed delivery from 2019 onwards); and
- 500 shared ownership homes affordable to buy for Brighton & Hove residents on average incomes.

## **3. Why is the council looking at projects like this?**

Brighton & Hove is a growing city with high housing prices, low incomes, an ageing population and a significant proportion of households with support needs. There are over 23,000 households on the joint housing register, 1,800 households in temporary accommodation and rising homelessness. Social housing makes up only a small proportion of the overall housing in the city with 9.8% of homes owned by the local authority and 5.1% by Registered Providers (RPs).

Housing demand, growth in the private rented sector and rising rents has an adverse effect on affordability of housing in the City. This has contributed to a decline in owner occupation as those seeking to buy their own home are increasingly unable to take advantage of housing for sale either through cost or as a result of sales of residential accommodation meeting demand from buy to let or other landlord investors rather than prospective home owners.

This increasing housing demand, reduced public subsidy for affordable homes (in particular no national funding for lower cost general needs rented homes) and a shift away from development of rented and family homes remain key challenges identified by the council's Housing Strategy and Budget. This has an adverse impact upon the council's ability to respond to the needs of a growing more diverse population and the council's capacity to maintain mixed and balanced communities and retention of lower income working households and employment in the city.

## **4. How will you ensure the homes go to local households?**

The primary purpose of this JV proposal is to provide lower cost rental and sale homes for low income working households in Brighton & Hove. There is no intention to provide nomination rights or access to households who do not live or work in the City.

Our Housing Strategy highlighted key themes including the availability of affordable family homes, in particular rented homes, and the economic impact of this lack of housing supply on our ability to retain lower income working households and employment in the City. In our Housing Strategy we are committed work collaboratively with Adult Social Care, Children's Services and Health colleagues to meet our shared objectives including the availability of homes in the city to meet the needs of their workforce and those of other employers for



*whom the recruitment and retention of lower income workers in Brighton & Hove has increasingly become an issue. The proposed Living Wage Joint Venture would align to our strategic aim of contributing to addressing this issue.*

*The Living Wage proposal concurs with the Council's draft Allocation Policy which proposes an income cap against size of accommodation needed so that those high earners who can resolve their housing in the private rented sector are no longer on the Housing Register whilst retaining those on lower incomes who would benefit from the Living Wage housing. The income caps have been set such that households who could expect to pay more than half of their income on average market rents would be retained on the Register whilst those who would expect to pay a lesser percentage would no longer be on the Register and hence would ensure they do not benefit from Living Wage homes. The Council can also develop a Local Letting Policy for these properties to give priority to those on the Housing Register who are working.*

*With regard to lower cost homes for sale, the proposal does not including making use of Government funding which enables us to limit availability of homes to households who live and work in Brighton & Hove. Government shared and lower cost home ownership schemes are resourced to meet national housing strategy requirements and do not apply local connection criteria with regard to applicants for homes for low cost sale developed through Registered Providers in the City.*

#### **5. What are the wider benefits of the joint venture?**

*There are a number of potential wider benefits of the JV for the city, these include:*

- *700 opportunities for education, training and apprenticeships*
- *An average of over 400 FTE construction jobs supported each year for 5 years*
- *4,500 direct and indirect jobs supported*
- *After leakage and displacement, the joint venture produces over 2600 net new jobs*
- *Estimated Gross Value Added to the economy of £350M over 5 years*
- *New Council Tax revenues – see Finance section below*
- *New Homes Bonus – see Finance section below*
- *£6M of direct investment into new civic and community infrastructure through S106, benefitting the wider city*

#### **6. Could the JV deliver more than 1,000 homes?**

*The Council has looked at the potential for Joint Ventures to also deliver larger estate regeneration projects, but any such projects would be brought forward as separate proposals with their own bespoke financial model and funding proposal that would need to be agreed by the Housing & New Homes and Policy, Resources and Growth Committees.*

*We may also be approached in the future with other JV proposals. These would also have to be carefully considered to ensure compliance with our strategic, financial, procurement and governance requirements, including approval through Committee under existing procedures.*

*Any increase in the scale or funding for the project proposed with Hyde (such as increasing the number of homes beyond 1,000) would be a reserved matter and require the unanimous approval of the investors (which for the Council would require new Housing & New Homes and Policy Resources & Growth committee approvals).*

**7. Why doesn't the Council do this on its own?**

*The Joint Venture means that the council is able to share investment and risk with Hyde to double the capacity available for building new homes by delivering them through a Joint Venture. Working in partnership with Hyde also means that we are able to benefit from their volume buying power as they build an average of 1,500 new homes a year, providing efficiencies and economies of scale. This means that more than double the amount of homes can be built than if the Council progressed the project on its own.*

**FINANCES**

**8. How much would each partner invest in the Joint Venture?**

*It is estimated that each partner would need to invest £53M (a total of £106M) to deliver the 1,000 homes. Within this overarching financial model and business case, each proposed scheme would be subject to separate financial viability testing and approval process.*

**9. Where will the council borrow the money from?**

*For financial modelling purposes it has been assumed that the Council will use the Public Works Loan Board to borrow the required equity. Any new borrowing will have to be deemed affordable, prudent and sustainable in order to meet the requirements of the Prudential code. The full due diligence process on the business case/business plan of the JV would meet this requirement as it would demonstrate that the borrowing is affordable for the council to repay debt from the council's share of surplus returns from the JV. Actual investment decisions will be made appropriate to the funding terms agreed in the Members agreement.*

*The Council follows the Prudential Code, and any new borrowing limits (i.e. the maximum the council is able to borrow) is approved by Budget Council within the budget report each year.*

**10. What is the expected return on investment?**

*The Financial model has estimated that the rate of return for the model is in the region of 8%. This is considered a good rate of return.*

**11. What is the expected Council Tax from the new homes?**

*It is estimated that the delivery of an additional 1,000 properties in the city would raise in the region of £0.830 million in council tax income per annum, this is an estimate based on a number of assumptions such as council bands, discounts applied and assumed council tax increases.*

**12. What is the expected New Homes Bonus from the new homes?**

*It is difficult to assess the additional revenue relating to the New Homes Bonus scheme as the Government is amending the scheme. Under the current scheme, the council could receive a maximum of £1.25 million per annum over 4 years for delivery of 1,000 properties, if these were over and above the number of properties that fall out of the scheme or potentially receive a significantly reduced sum.*

**13. How will value for money be assured with the provision of works, goods and services to the Joint Venture?**

*Goods, works and services purchased by the JV (which will be a Limited Liability Partnership or LLP) will be subject to a procurement process (for example consultancy and construction services). The proposal is to use Hyde's competitively tendered Open Journal of the European Union (OJEU) compliant consultancy and construction frameworks. Each development delivered under the framework will have its own procurement process within the framework with a mini-competition undertaken between contractors providing a further opportunity to test value for money, ensuring that economically advantageous price is achieved and reducing the risk of anti-competitive behaviour and/or supplier complacency.*

*Other organisations have joined the Hyde's frameworks so that they can access the services and reduce procurement timescales and complexity (including other Housing Associations Registered Providers and Local Authorities). Hyde generally charge for access to their frameworks, and it is worth noting that other local authorities and housing associations are paying Hyde considerable sums to use them. It has been negotiated and agreed that Hyde will not charge these access fees to the JV when the LLP is buying goods or services through the frameworks. The LLP will also benefit considerably from Hyde's volume buying power, providing efficiencies and economies of scale.*

*Project monitor*

*The joint appointment of an independent Project Monitor will provide an additional layer of assurance for both the Council and Hyde as they will provide a full value for money assessment of each contract that is delivered through the JV. Projects will not proceed without assurance that the individual project represents value for money.*

*Mutual benefits and incentives*

*While the primary purpose of the joint venture is to provide lower cost housing for low income working households in Brighton & Hove, there is a commercial rate of return expected to be returned from the Council's investment. The proposed legal and financial structure of the JV ensures that both parties' interests are aligned through the investment returns. The only way either Hyde or the Council can earn a profit from the venture is through the investment return on its equity invested. Therefore for Hyde to be making money from the venture the Council would be earning exactly the same return. In simple terms what's good for Hyde financially in the JV is good for the Council. The structure therefore gives assurance as it motivates the right behaviours of the Council's JV partner, in this case Hyde, as it is in the mutual interests for both parties to minimise all costs to maximise the return on their investment. This helps to ensure value for money for both parties.*

**14. What are the costs of running the company and board?**

*The main costs for running the board will be officer and Member time and costs associated with arranging and holding board meetings. These will need to be covered by both parties in the JV and it is likely that council or Hyde building will be used to host board meetings.*

*There is currently an indicative allowance of £60K per annum for corporate and financial services within the financial model. The provider of these services (which could be the Council) will need to ensure that full costs are recovered and this will be subject to a final schedule of services agreed with the LLP.*

**15. What sensitivities have been tested?**

*The following sensitivities have been tested:*

- Inflation assumption reduced to 1% over 60 years
- Rents reduced to 30% of living wage
- Construction costs increase by 10%
- Market Value of properties decrease by 5%
- National Space Standards applied
- Market Value of properties increase by 5%
- Construction costs decrease by 10%
- Loan rate sensitivity

**16. How are the figures for Market Sales calculated?**

*The assumptions come from Hyde's experience of having sold several hundred shared ownership homes locally and a market research exercise by Hyde. The final values would of course vary by site and actuals could be lower or higher than the average assumed but the figure used for the financial modelling is considered to be achievable under current market conditions. The financial modelling we have completed to date shows that there are significant surpluses within the model.*

**17. Why has the council not produced its own financial model?**

*The Strategic Financial Viability Model produced by Hyde is considered to be an industry standard form which uses prudent financial assumptions and forecasts to analyse the financial viability of major capital projects.*

*The model is an open excel file which has been reviewed and analysed by the Council's Finance team and is considered to be an adequate financial modelling tool. The Council's audit of the model shows that the calculations and cashflows calculate correctly and the financial inputs and outputs of the model have been validated by the Council's Finance team.*

*Brighton & Hove City Council has developed its own excel viability modelling for its smaller developments in the New Homes for Neighbourhood programme, which has commenced the delivery of over 200 homes to date. Both financial models use a similar set of parameters and assumptions, except that Hyde's model is a more sophisticated modelling tool appropriate to the size and complexity of the proposed Joint Venture and therefore more appropriate to use for reviewing the JV business case proposal.*

*The Council has reviewed the model and its inputs, testing assumptions and auditing the validity of the outputs being produced. The Council's Finance officers, who are experienced in providing support for the New Homes for Neighbourhood programme and other major projects, have then updated and reproduced the excel financial model to test various scenarios and the sensitivity of the financial business case.*

*Additional independent financial/treasury management advice will be sought as part of further due diligence review to ensure financial risk exposure to the council is kept to a minimum and benefits of the proposals are achieved.*

*In conclusion, the Council's Finance officers are satisfied with the validity of the financial information produced using the SFVM.*

**18. What would happen if a number of issues happened at the same time e.g. house prices drop, construction costs increase, deflation and not being able to sell shared ownership properties?**

*The purpose of the Joint Venture is to deliver 1,000 lower cost rented and sale homes for low income working households. The financial modelling to support the business case for the JV proposal shows that in addition to providing 1,000 homes the JV is forecast to generate a significant long term financial return for the Council and Hyde.*

*Officers have tested several different scenarios that could impact on these surpluses and the ability to fund repayment of general fund borrowing used to fund the Council's equity investment and are satisfied that the financial case is sound and robust. Although unlikely to all occur, the effect of these possible combination scenarios has been tested and although they could reduce the returns, the forecast return to the council would still be positive.*

**19. What happens if the JV is not able to sell the shared ownership properties?**

*The risk of selling shared ownership properties is considered to be low; the cost of buying a shared ownership property from the scheme is comparable or lower than the cost of privately renting in Brighton & Hove and is therefore an attractive option for local buyers who are unable to afford to buy 100% of a property. Whilst the strategic financial model shows 500 shared ownership properties being constructed, the reality is that these would be developed in phases over 5 years, so at no time would the Council be exposed to the risk of 500 shared ownership sales (the maximum would be around 50 sales at any one time).*

*If homes were not selling or were selling at reduced prices, this would trigger a review of the business plan by the JV partners. Hyde has a strong track record of developing and selling shared ownership property and has evidence of sustained demand for property in the Brighton & Hove area. House prices could fall up to 48% before the Council and Hyde would face losses on the shared ownership properties being proposed. This is a much higher margin than for most speculative developers of even outright sale housing, who typically work on gross margins of between 15 – 25% subject to the risk of a given project. Therefore, whilst there is risk in developing and selling shared ownership housing, the risk is mitigated by the phased nature of the business plan and the margin.*

*It should be noted that as well as downside risks modelled and shown above, there is the possibility that returns to the investors could be higher as the economic situation could improve in a way that favours the financial model.*

**20. Why is this not being undertaken through the Housing Revenue Account?**

*The Housing Revenue Account (HRA) does not have financial capacity to deliver the significant amount of lower cost rented housing required in the City. This position means that*

*the council needs to look at alternative funding and delivery mechanisms to deliver the new lower cost homes this city needs. The option being considered by the Council is to deliver new homes through a partnership through the General Fund.*

*If circumstances change that increase the financial resources of the HRA, options would be reviewed for increasing housing supply through the HRA. The Council could not fund its equity contribution to the proposed LLP from the HRA as the properties would then be required to be held within the HRA to do this, which they would not be as the properties would be owned by the LLP.*

### **21. What are the risks for the General Fund?**

*The Strategic financial viability modelling supports the business case for the JV proposal. The forecast internal rates of return, total gross development value/cost ratio and sensitivity analysis provide financial reassurance that the JV Business Case proposals are sound and robust.*

*It was highlighted in the September H&NH committee report financial implications that the council's General Fund would need to cover financing costs of borrowing during the construction stage, the estimated costs of this not being significant, ranging between £23-45k.*

*The Council's equity investment to the JV is incremental and is phased over 5 years; equity funding will only be committed to individual projects that pass agreed viability tests.*

*The financial performance of the LLP against the Business Plan will be regularly monitored and reported to Members of the Board in accordance with the Heads of Terms and schedule of services.*

*The LLP will be operated according to sound commercial principles in the best interests of the LLP Members, if economic conditions change over the period, the Board would need to review the Business Plan in order to mitigate any adverse impacts of market changes and could decide to pause or stop the venture depending on the situation faced.*

### **22. Are the maintenance costs in the financial model high enough?**

*The Strategic Financial Viability Model includes allowances for management, responsive maintenance and life cycle costs for ongoing stock investment (described as major works sinking fund in assumptions table). These costs are based on the actual costs incurred by Hyde and used across its development programme.*

*The life time costs allowance (sinking fund) would be held in the LLP reserves for future investment when required and no costs associated with the management, maintenance and repair of homes held in the LLP will fall to the General Fund or Hyde.*

*The Council's Finance department have reviewed the assumptions and costs compared to those used in BHCC New Homes for Neighbourhood (NHFN) viability modelling and consider them comparable and adequate to provide a good quality management and maintenance service, together with adequate allowance for stock investment into cyclical works for example to include replacement windows and roofs and so forth.*

**23. What if right to buy were to be extended, would this affect the general fund?**

*The primary purpose of the Joint Venture is to increase supply of lower cost rental and sale homes for low income working households in the city..*

*There is no indication that the Government intends to extend legislation to cover private corporate entities or partnerships such as LLPs, which are widely used in the private sector. If the Government was to legislate for LLPs to be subject to Right to Buy this would affect a significant number of private / commercial property investors. The risk of Right to Buy legislation being extended to cover these homes is therefore considered low.*

*If Right to Buy legislation were to be extended to cover these homes it is likely that the legislation would be like current proposals for Housing Associations, with the discount funded from public sector budgets. The financial impact on the Joint Venture would therefore be minimal and potentially financially beneficial. However, as outlined in answers above, a wide range of scenarios and combinations of scenarios have been tested which demonstrate the financial model is robust and could manage a range of negative financial impacts without putting additional strain on the General Fund.*

*The average cost to market value ratio between development costs and market value of the homes is 52% which demonstrates a paper margin of 48% in investment, this is a considerable buffer against the various risks of the JV.*

**24. How are rent increases calculated? Could they be 'pegged' to the National Living Wage**

*Rent increases will be in line with the Consumer Price Index (CPI). This will ensure that rents do not rise at a higher rate than the cost of living and should keep pace with wage increases. This is lower than usual rent increases for Housing Associations and Council's which are generally at CPI+1%.*

*It is not possible to 'peg' rents to the National Living Wage as these increases are politically controlled. It is not prudent or sensible to make a significant investment decision based on an unknown factor and would not be agreed by the financial advisors for either party in the Joint Venture.*

**LEGAL ISSUES**

**25. How would disputes between the JV partners be resolved?**

*There are two scenarios where dispute resolution would apply.*

*Firstly deadlock – i.e. no one is in breach of a contractual obligation but there is a lack of agreement between the investors on how to take the JV forward and given both parties have a 50% vote, nothing can progress. This risk is significantly mitigated through a clear Business Plan that is agreed upon and adopted at the outset and which forms part of the JV legal agreement. Therefore the risk is that things change and the business plan cannot be delivered and a disagreement arises on how to proceed. If such a dispute could not be resolved at LLP Board level it would be escalated within each organisation (likely up to the Chief Executives and potentially then Chairman to Council Leader) and non-binding*

*mediation would be used if required. If agreement cannot be reached following mediation the parties would have options to sell to each other in the first instance (bidding against each other for each other's shares), if this was not taken up by either party there would be an option to sell to third parties or wind up the JV and liquidate the assets. This would be the 'nuclear' option for each investor and a very serious difference of opinion would need to arise for such a route to be taken due to the financial risks involved.*

*The second scenario is if one party is in breach of its contractual obligations. In this scenario, whilst dispute resolution would hopefully resolve the matter (as above), there would always remain, as with any contract, the risk that the other party could bring litigation. This is the same position as any contract with a third party and the Council will manage it by being clear on the obligations it is signing up to and ensuring it complies with them. If Hyde was in irremediable breach of contract and the Council took legal action, then the Council would also seek reimbursement of its costs together with any other losses incurred.*

*This is a standard approach to dispute resolution in Joint Ventures and LLPs.*

**26. Is there a budget for dealing with legal disputes?**

*The Council would not set aside a separate budget line for potential legal disputes over the 60 years as it is not entering the JV with the intention of becoming embroiled in a dispute and litigating. However, if the Council believed there to be the potential for litigation in the future, then it could consider allowing for a risk provision in its future financial planning with the likely source of funding this provision from LLP returns. This is standard practice when reviewing and monitoring major projects.*

*If the Council had to litigate for breach of contract then in addition to its losses it would also seek an award for its costs against the defendant.*

**27. Could the Joint Venture be legally challenged for not using a traditional procurement route?**

*The Council and Hyde jointly setting up a Limited Liability Partnership (LLP) and agreeing to invest equal amounts into building 1,000 new affordable homes is not classified as procurement of goods or services. The risk of legal challenge has been carefully considered; moreover the setting up of the Joint Venture (JV) is not considered to be procurement, there is no risk of a third party bringing a successful challenge against the Council in relation to the JV. This has been confirmed by independent legal advice.*

*Our legal advisors have provided advice that the Council can enter into the JV without a procurement process for the following reasons:*

- There is no public contract in place between the Council and Hyde – entering into the joint venture itself need not involve the awarding of a contract for goods, works or services;*
- This is public sector co-operation that is permitted under the procurement rules – both parties are public bodies for procurement purposes and could make use of inter-public body exemptions;*
- Public contracts that do exist can be awarded without a procurement process in light of what is known as the Teckal exemption – this allows entities controlled by and delivering activity for public bodies to be awarded contracts without a competitive procurement process.*



**28. What happens in the event of Hyde running into financial difficulties or ‘going out of business’?**

*In the unlikely event of Hyde going out of business or wishing to leave the Joint Venture due to financial difficulties the agreed exit processes would be triggered. The JV proposes an initial lock-in period aligned to the development phase of the partnership where either party were not able to exit. However, if Hyde did go out of business or decide to exit after the lock-in period the Council would have the first option to buy out Hyde’s share of the JV. If the Council were not to take this up Hyde could dispose of their share to another organisation. The buyer would need to meet set criteria to ensure they were appropriate and would also be required to continue to provide the housing as envisaged in the business plan.*

*Hyde have been in operation for 50 years and now have a portfolio of 50,000 homes making it is one of the largest Housing Associations in the UK. Hyde is a stable and well run business which has consistently demonstrated the ability to trade through difficult financial circumstances, growing its profitability consistently year on year, whilst investing significantly in providing affordable homes for local people in housing need.*

*The LLP Member’s Agreement would deal with circumstances in which either Hyde or the Council has defaulted on its obligations under the Member’s Agreement or ceased trading.*

*In the unlikely circumstances either party was found to be in default of its obligations under the Member’s Agreement, “the defaulting party”, in the event the defaulting party did not act to remedy the breach, that party would become liable to transfer its interest in the LLP to the other party at a discount to Fair Value (typically at 90%). In the event of insolvency (or equivalent default for the Council), the defaulting Member’s share would be transferred at 100% of Value or sold to another party, subject to the agreed Business Plan.*

*These are usual and customary provisions which would be expected to be incorporated into a Limited Liability Partnership Member’s Agreement.*

**GOVERNANCE**

**29. Will councillors be on the JV Board?**

*It is for the Council to determine who represents it on the JV Board and this could include elected member representation. There are arguments for and against, in the case of the latter largely around potential conflicts of interest. However, in response to feedback from Councillors officers are working on the basis that the JV Board would require elected member involvement to enable agile decision making. This is ultimately a decision for elected members.*

**30. Who will chair JV Board meetings and will they have a casting vote?**

*The Chair will not have a casting vote. It is likely that the Chair would change annually with each investor taking it in turn to Chair.*

**HYDE HOUSING ASSOCIATION**

**31. Have financial checks of solvency been carried out on Hyde?**

*Yes - preliminary checks have been completed and it is considered that Hyde's financial standing is acceptable to the Council for this project. A further full and in depth review of the group, including assessments of future risks, will be undertaken as part of the due diligence process, which is standard council practice for any major projects.*

**32. Why did the London & Quadrant Housing Association and East Thames merger not go ahead?**

*Both Hyde and L&Q mutually agreed to end their merger discussions when it became apparent to the Shadow Board that the practical difficulties of merging two large and complex organisations meant that the operational efficiency savings envisaged would take longer than expected and therefore would not deliver sufficiently against the merger business case.*

*Hyde is financially sound and well governed, as indicated by its financial and regulatory ratings, and is proceeding with a programme of operational efficiencies to make savings from its core business in order to fund an expansion of its housebuilding programme and expects to make an announcement in this regard shortly. In short Hyde's board felt there was a stronger case for being able to deliver against its core objective of providing quality services to residents and additional investment into affordable house building on its own than was possible joining up with L&Q.*

**DEVELOPMENT SITES**

**33. How will the council ensure all sites have the correct valuation?**

*The sites will be valued by an independent valuer following a process agreed by the council's Property & Design team and any disposal to the JV will be the subject to the agreement of Policy Resources and Growth Committee. This will be a transparent process which follows agreed principles and meets the requirements of Best Consideration legislation.*

*Entering into the JV does not change the Council's processes or statutory obligations in disposing of land for best consideration.*

**34. Will the JV get all the council's best sites?**

*The Council and councillors will have full control over deciding on any sites to be transferred to the JV as all land transfers will need to be agreed by Policy, Resources and Growth Committee under existing arrangements. Consultation would be undertaken with ward councillors and other relevant members similar to for sites used in the New Homes for Neighbourhoods programme.*

*Any land to be transferred would need to be independently valued to allow the Council to meet its duty to obtain best consideration. This would be undertaken by an independent valuer following an agreed process and principles. The independent valuer would take into account the likely construction costs of developing a given site when calculating the residual land value, so lower construction costs would be reflected in a higher residual land value (i.e. land receipt to the Council) and vice versa.*

## **SHARED OWNERSHIP**

### **35. What is the management company model for Shared Ownership properties once properties are sold?**

*The shared ownership properties would be managed by either Hyde or the Council depending on who is appointed to provide the LLP with property and asset management services.*

*Management of shared ownership homes is principally leasehold management consisting of collecting rent and dealing with consents and so forth under the lease. Consents would incur a charge and are therefore self-funding. As for dealing with arrears of rent, this would incur reasonable administration fees which are recovered along with arrears. As there is generally a mortgagee with a charge over the property then arrears of rent and service charge can be passed through to the mortgagee if the leaseholder (the mortgagor) fails to make payments due under the lease.*

*The lease for shared ownership properties passes the obligation for interior maintenance on to the leaseholder, with an obligation to pay a fair and reasonable proportion for exterior and structural repairs. The service charge includes allowances for the management costs of providing the services (approximately 15%).*

### **36. How would the sale and re-sale of the shared ownership homes be managed?**

*Unlike some Housing Associations Hyde have a preference for selling shared ownership homes on as shared ownership products rather than on the open market. This means that the affordable home is not lost if the owner decides to sell. This will be applied to shared ownership homes managed by the JV where possible.*



**Housing & New Homes Committee – Wednesday 16<sup>th</sup> November**  
**Agenda Item 40 – Housing Delivery Options – Living Wage Joint**  
**Venture**

**Conservative Group Amendment**

That the recommendations on page 62 of the agenda be amended as follows:

**2. RECOMMENDATIONS:**

2.1 That Housing & New Homes Committee:

- i) Recommends the report to Policy, Resources & Growth Committee as **set out at paragraph 2.2 subject to the following safeguards being put in place to protect the Council:**
- a) **That prior to the signing of any Heads of Terms agreement or other legally binding agreement to form this Joint Venture, Housing and New Homes Committee, Policy, Resources and Growth Committee and Full Council must ratify such a decision, with all members receiving the external advice sought including but not restricted to that from **Queen’s Counsel** on reverse Teckal, VAT and corporation tax liability and the likely outcome should a court conclude that the LLP would breach the requirement to use a company where something is done for commercial purposes as set out in the legal advice. As well as but not exclusively providing members with the ‘Independent financial/treasury management advice that will be sought as part of further due diligence review to ensure financial risk exposure to the council is kept to a minimum’ as outlined in the report.**

Officer Comments

*The advice is that the proposed approach is compliant with legal requirements. Given a level of uncertainty over the question of whether the Council can directly participate in the LLP and the importance of this question an opinion has been obtained from Nigel Giffin QC. This confirms that the Council has two sources of authority to proceed – the Localism Act 2011 (General Power of Competence) and s12 (a) Local Government Act 2003.*

*The Council's legal advisers will continue to advise on these areas as the project develops, taking into account the opinion received from Leading Counsel on participation in an LLP.*

*Finance analysis (Part 2) includes an indication of risk if the council were to enter into LLP through its own trading subsidiary company.*

*Under the existing proposals the Council will delegate authority to senior officers to agree the final Heads of Terms in light of all advice received and*

*execute all documents necessary to implement the joint venture. Members would retain oversight via the cross party Estate Regeneration Board and Strategic Delivery Board.*

*The appointment of members to outside bodies is determined by full Council on an annual basis. Approval is required from Policy, Resources & Growth Committee to release funding for individual schemes.*

- b) That the appointments from the Council to the management board, shall include as the councils three members of the board, the chair of the housing and new homes committee, the opposition spokesperson of the housing and new homes committee and the minority groups spokesperson of the housing and new homes committee. Such positions should be capable of being substituted for by other members, and relevant council officers may attend purely in an advisory capacity to assist members. The Chair of the Board should also be the chair of the committee, who will hold a casting vote: in perpetuity. Final details of this officer advisors list, should come back to a future Housing and New Homes Committee for final approval, with any future changes to be agreed by later meetings of a committee which holds the same housing functions as this current committee.**

#### *Officer Comments*

*Bevan Brittan have advised about the potential for there to be conflicts of interest between Council officers or members appointed as directors of the joint venture vehicle, and whether to appoint officers or members and the identity of those appointed is a decision for the Council, based on its preferences. The likelihood of conflict could be higher if H&NH committee members were appointed, particularly if the chair of the Housing and New Homes Committee is chair of the board.*

*Although the Council and Hyde have agreed that a chair of the board will be appointed, it is intended that this will be done annually by the Council and Hyde in turn and that the chair will not have a casting vote. There has been no agreement requiring the Council to obtain committee approval for identified officers who will attend board meetings and advise members appointed as directors.*

*Having a chair with a casting vote would not fit with the 50:50 joint venture principle that has been a fundamental principle from the outset, and is unlikely to be agreeable.*

*Hyde are unlikely to be concerned about how the Council decides which officers can attend board meetings as long as it does not impact on the board's ability to make decisions.*

*It is proposed that the amendment regarding officer list approval by Housing and New Homes Committee is not accepted as this is an operational matter*

*that should properly be determined by the Head of Paid Service, having regard to the resources, skills and experience of his officers.*

- c) 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.**

Officer Comments

*This amendment can be accepted.*

- d) That the HRA will have first refusal of any General Fund land being sold to the Joint Venture, with member oversight of this being considered for any sum above and including zero pence at the Estate Regeneration Board.**

Officer Comments

*The council will review options for all sites before they are proposed for disposal to the Joint Venture. This can include a review of potential options for the council to develop the site directly (for example through the wholly owned Housing Company). This would need to happen at the start of the proposed disposal process i.e. before any feasibility or viability work has been undertaken by the JV. To do so later would cause concerns as it could create a situation whereby the JV is being used to set the price for Council land for another party to step in (even if this is the Council itself). There is cost and risk in the JV carrying out work to assess land and produce feasibility work; it would therefore be unreasonable the Council to act in this way.*

*Please see para 3.35 in the body of the report and FAQ34. The HRA doesn't currently have the borrowing capacity, due to the HRA debt cap imposed following self financing in 2012, for large scale development proposed in the in this project.*

- e) That a short 30 day Prior Information Notice be issued to ascertain, and this should be clearly set out in the OJEU Council Documents, whether another registered provider believes their frameworks could provide better value for money for the Council's significant investment than Hyde's: **whilst clearly stating the Council has no legal compulsion to procure in this instance, and if responses to the PIN are received this is not binding for a full procurement process to be gone through.** The results of which should be brought back to a future Housing and New Homes committee meeting, for the committee to assess whether a full procurement process, if any registered provided responds positively to the Prior Information Notice, should be undertaken in the interest of value for**

**money. The Procurement Advisory Board prior to the results coming to committee should also consider the results, and make recommendations which will be included in the report back to this committee..**

Officer Comments

*It is not clear from the proposed amendment what contract the proposed use the PIN relates to and therefore two scenarios are outlined below.*

*There is no requirement to issue a PIN if this is proposed in relation to the investment with Hyde and it should be noted that Hyde has raised serious concerns about this proposal. If it were something the Council opt to pursue, Hyde have indicated that they will have to seriously consider their position in progressing the joint venture with the council.*

*The use of a PIN would also add to the timetable for procuring the relevant goods, works or services, particularly if the results have to be brought back to the relevant Committees for approval and if it was a precursor to a full procurement process. The council would also need to carefully review and consider any speculative approaches from RPs who have no connection or development track record in the City.*

*In terms of the works and professional services contracts that will be required to build the homes, Hyde's framework agreements were established under EU procurement rules (as outlined in the main body of the report). The Council and Hyde have therefore agreed not to use a PIN as Hyde's framework has already been through a procurement process with value for money tested. An independent project monitor will also be appointed who will be required to monitor value for money on each development, for example by certifying development costs before they can be incurred. In addition the joint venture will run mini-tenders between suppliers on the Hyde frameworks. This is a common approach and provides a further test of value for money.*

- f) Further financial modelling should be undertaken and reported back to a future meeting of this committee for approval, as well as Policy Resources and Growth Committee and Full Council. This financial modelling should include SFVM and NPV calculations over **each, 2, 5, 7, 10, 15, 20 and 40 years period, not simply the current 60 years one modelled as earlier exit is a possibility.** This should also be a more extensive combination of sensitivity analysis at each of these time periods of the proposed joint venture. These should include both a best and worst cases scenario for each, but as a minimum should include a rental market reduction of 10%, an interest rate **increase up to and including 8%, stress testing of the current proposed unit cost with additional 10% contingency and fees,** construction costs increases of 20% seen on other council schemes, exposure of the LLP to corporation tax **and VAT** which**



should include tax increases and decreases **down to 12% and up to 40%**, as we are still waiting on Counsel Advice on this. This model should also include provision for legal advice should the dispute resolution mechanisms fail and achieving each element of the council's affordable housing brief in full, not simply partially. This modelling and sensitivity analysis should also include a market value of property reduction of 20%, at any stage, and the likely effect on the sale of shared ownership properties or propensity of ownership default of the shared ownership properties **if the UK entered recession and GDP contracted by 7%**, and the financial impact on the joint venture **and council, including but not exclusively** of mortgage companies having first refusal over the LLP retained, rented percentage of these shared ownership properties, using historic recession trends particularly the results on Housing Associations of the 2008 financial crisis.

#### Officer Comments

*There are an infinite number of potential sensitivities and combinations that could be modelled against the Strategic Financial Viability Model (SFVM), but those chosen by officers to date represent either the most likely or those with the most negative significant impact. For example the modelling of a reduction in all inflation rates by 1% over the entire 60 year period is most unlikely but is one scenario which would have a significant impact.*

*The sensitivity modelling requested does not mirror the approach being taken to the SFVM or provide a suitable level of stress testing and hence these sensitivities would provide a range of unviable results. Following approval of the SFVM, the approach of the JV will be to undertake individual viability assessments for each scheme as they come forward (at which stage there will be greater certainty around the interest rates and other costs). If the modelling at this stage shows schemes to be unviable they will not be progressed. In addition the JV will prepare annual budgets and Medium Term financial strategies (in a similar way to the council) that would highlight any future potential financial risks providing the opportunity to take action as appropriate. This report is seeking delegated authority to establish a JV after which further approvals will be required by PRG to release funding for individual schemes.*

*Furthermore the level of stress testing is inappropriate in terms of magnitude, for example in changes in interest rates (which have not reached 8% since 1992) and reference to market value reduction of 20% (and modelling entering a recession) and so forth. The council is clear that a VAT shelter can be operated and therefore no sensitivity is required for this and counsels opinion, which reflects similar projects across the country is that corporation tax does not apply.*

*Exit strategies are covered in the paper should the most disadvantageous set of circumstances apply to offer members re-assurance as to their options.*

*With regard to achieving each element of the council's Affordable Housing Brief in full, delivery against the Affordable Housing Brief is subject to National Planning Policy Framework considerations. These include developer viability and, in practice, this results in frequent challenge to full delivery of all elements sought. Hence, despite best efforts, we often do not achieve all elements of the brief. In particular, a key part of the brief is achieving a mix of affordable homes including affordable homes for rent. We have significant challenges on delivery of this element of the Affordable Housing Brief with very little delivery of affordable rented homes, other than via our own Estate Regeneration programme. A key part of this proposal is to address the shortage of homes for affordable rent. All schemes will have their own appraisal and approval process aligned to Business Plan and, if Council Land, landowner consent through the usual routes. This will offer ongoing member scrutiny around compliance with the Affordable Housing Brief. In addition, any schemes approved by Planning will have to meet Planning / Building Regulations around size / space standards.*

*The homes will meet Lifetimes Home standards for accessibility and Hyde and the Council are committed to meeting wheelchair housing need. The exact proportion of wheelchair housing will be reviewed on a site by site basis.*

- g) That the council, in order to protect general fund services, internally underwrite the risk of any exposure to the loan for the LLP, which could result in the joint venture in any one year resulting in a deficit for the general fund; including any extension to right to buy: with the council's existing general fund asset portfolio (as the sale of any of these assets should be used to fill the gap if the sale of the joint venture properties is unobtainable) and/or future in year loans to fill any gap, which the JV profits in subsequent years could repay. This to ensure that should there be a deficit in any year, that in none of these years will the general fund have to make reductions to services to make loan repayments. This being conditional on it being a non-HRA loan. This to form part of the heads of terms, contract or equivalent legal document by the council solely **and/or** the Joint Venture.**

#### Officer Comments

*As mentioned earlier, the JV will prepare annual budgets and Medium Term financial strategies (in a similar way to the council) that would highlight any future potential financial risks providing the opportunity to take action as appropriate. This report is seeking delegated authority to establish a JV after which further approvals will be required by Policy, Resources & Growth Committee to release funding for individual schemes.*

*The individual viability assessments of each scheme would need to demonstrate that the development was viable in accordance with the LLPs Business Plan and financial model, therefore providing the expected returns, which would enable the council to repay its debt. .*

*The council cannot offset any exposure with the sale of any of its existing asset portfolio. Any surplus assets would already be accounted for in our capital receipt estimates and other disposals will have revenue implications including the potential loss of rental income. Minimum Revenue Provision (MRP) will be set aside in every year to provide for the repayment of the borrowing which will be included in the Financing Costs budget*

*This has not been agreed between the parties, and Bevan Brittan would not in any event expect to see such an agreement in the Heads of Terms or any of the other legal documents because it would be an internal matter for the Council. The Council can accrue both usable and unusable reserves, and could explore whether it would be legally possible to create a specific earmarked reserve for this purpose, or as an alternative increasing its unrestricted reserves. It would need to take specific advice before doing so.*

*Exit strategies are covered in the body of the report and FAQs should the most disadvantageous set of circumstances apply to offer members re-assurance as to their options.*

- h) That a full and in depth review spanning the preceding 5 years of Hyde Housing Association and Hyde Housing Group be conducted and reported back to members at a future meeting of this Committee. This should also include a 5 year outline of all credit rating agency ratings, outlining every upgrade and/or downgrade over this period.**

*Officer Comments*

*FAQ 31, states that preliminary checks have been completed, we would have carried out the review detailed in h) for 3 years as a standard council practice following committee approval to progress. Officers have conducted a detailed review of the three year accounts and are comfortable with Hyde's financial viability at this stage. Officers have now also reviewed credit rating agency ratings back to 2010 to satisfy this request. Full due diligence regarding Hyde's long term viability will be undertaken at the next stage of the project.*

- i) The Heads of Terms should clearly state at 2.1.6 d) the council or a third party to provide corporate and financial services, with an added, on costs incurred basis. Clarification on the requirement for a procurement process to be undertaken should **these good or services be provided by a** third party should also be set out to members at a future meeting of this committee.**

*Legal advice has been obtained which confirms that no procurement process is required. The services will either be provided by the Council or Hyde and it is not envisaged to procure this from a 3<sup>rd</sup> party.*

- j) Legal advice on state aid compliance should be provided extensively at the relevant committee agreement stage for the sale of any council land to the Joint Venture and the annual approval of the business plan approval stage.**

Officer Comments

*Bevan Brittan have advised how to ensure compliance with the State Aid rules, and the Council and Hyde will be under an obligation to continue to do so when sites are brought forward for development under the overarching strategic land agreement and in line with a business plan. The advice states that State aid does not create any material issues for the proposed project structure, and this is not expected to change.*

*We would expect State Aid issues to be raised when Council consent must be obtained in line with the processes outlined in the Heads of Terms. Section 3.4 of the Heads explicitly reserves a right to the Council to obtain independent advice to ensure it is satisfied with any proposed land transfer value, and this will help it ensure compliance with the State Aid rules.*

- k) 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.**

Officer Comments

*The Heads of Terms state in section 4.3.2 that the Council and Hyde will each own 50% of the joint venture vehicle. Any distribution will be made in the same proportion. The Heads of Terms can be amended to make this absolutely explicit.*

- l) That the Heads of Terms be amended at 3.3.5 g) to delete '(or first phase)' and to instead read 'whole development'.**

Officer Comments

*The Council and Hyde have agreed that property can be drawn down when certain conditions are met, including where funding has been agreed for the particular property or for the first phase of the development. Hyde and the Council will continue to refine and seek agreement on the detail of the draw down conditions working under the approved delegations from the H&NH Committee.*

- m) That financial solvency checks for its lifetime be conducted on 'Hyde New Build' as outlined at 4.1.2 of the heads of terms.**

Officer Comments

*Hyde New Build trading record is a matter of public record via companies house; the company is a trading company providing design and build services to Hyde's construction projects. The company is a wholly owned subsidiary of Hyde Housing Association, which is the only shareholder.*

*As Hyde New Build is a wholly owned subsidiary of Hyde, the company's viability relies on the viability of the group as a whole, so it is not necessary to undertake separate checks.*

- n) Changes to the Heads of Terms be made to ensure that only the Housing and New Homes Committee can agree to a change in the reserved matters list and this cannot form part of the annual business plan to be changed.**

Officer Comments

*The reserved matters could only be amended with the unanimous agreement of the Council and Hyde. This would be the same position for any element of the agreements entered into at the outset of the joint venture.*

*The question of what individual or committee has authority within the Council to exercise rights reserved to the Council is an internal governance matter for the Council and would not be a matter for the contracts with Hyde. The council would need to identify the correct route for decisions based on the council's constitution e.g. if there are financial implications to the council it may require PR&G approval.*

- o) The expenses policy of the LLP as set out at 4.10 of the Heads of Terms should be agreed by a future meeting of this committee prior to the Heads of Terms being signed.**

Officer Comments

*The Council and Hyde are both agreeable to a policy of zero expenses. Any expenses for Members attendance at board meetings would be a matter for the council to decide.*

- p) The Heads of Terms be amended at 4.15 to read that 97% of fair value of 3 independent valuers, including the district valuer, shall be transferred in the event of a default.**

### Officer Comments

*The Council and Hyde agreed that the figure should be 90% on the basis that it would firstly act as a disincentive to breaching the terms of the Members' Agreement and secondly reflect normal market practice. In line with market practice, it was also agreed that a single independent valuation would be sufficient to calculate fair value. Although there is no legal reason why this cannot be changed to three independent valuers, including the district valuer, the risk is that it would disproportionately complicate the process and increase the timescale for reaching agreement.*

*It is the view of the council, Hyde and our legal advisers that this should stay at 90% as the surviving member of the JV will incur significant costs and inconvenience in the event that the other party defaults. A 3% discount would be out of line with normal practices and not adequately reflect this.*

- q) The Heads of Terms be amended at 4.17 so that any third party must undergo financial solvency checks and be approved by the remaining partner of the Joint Venture.**

### Officer Comments

*The Heads do not contain a general right to veto over a proposed transfer, and more substantive changes to section 4.16 would be required to provide this. Under the current arrangement, the safeguards are (1) an initial lock-in period followed by a right of first refusal for the remaining party (2) the restriction against transferring to an "unsuitable party" (3) sufficient financial covenant for an intra-group transfer and (4) a continuing obligation to deliver the housing objectives of the joint venture. Bevan Brittan expects that Hyde would object to a general veto as it could allow the Council to prevent it from leaving the joint venture and would undermine the value and security of Hyde's investment. Likewise the Council would not be advised to accept such a veto from Hyde.*

## 2.2 That Policy, Resources & Growth Committee:

- i) Support in principle the living wage joint venture proposal **subject to the further safeguards being put in place outlined above**; and
- ii) Give delegated authority to the Executive Director of Economy, Environment & 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;

- b) ~~agree and authorise execution of~~ **develop** the Heads of Terms and subsequently the documentation required to implement the proposed Joint Venture; **both of which should come back to a future Housing and New Homes Committee, Policy Resources and Growth Committee and Full Council for final approval**
- c) ~~make the appointments~~ **suggestions on the Council officer advisory attendees** from the Council to the management board; **as the councils three members of the board shall be the chair of the housing and new homes committee, the opposition spokesperson of the housing and new homes committee and the minority groups spokesperson of the housing and new homes committee. Such positions should be capable of being substituted for by other members, and relevant council officers may attend purely in an advisory capacity to assist members. The Chair of the Board should also be the chair of the committee, who will hold a casting vote: in perpetuity. Final details of this advisors list, should come back to a future Housing and New Homes Committee for final approval.**
- iii) 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.

Officer Comments

*Under the existing proposals the Council will delegate authority to senior officers to agree the final Heads of Terms in light of all advice received and execute all documents necessary to implement the joint venture. Members would retain oversight via the cross party Estate Regeneration Board and Strategic Delivery Board.*

*The casting vote issue is covered above and is not consistent with a 50:50 JV.*

**AGENDA ITEM 40**  
**HOUSING DELIVERY OPTIONS – LIVING WAGE JOINT VENTURE**  
**GREEN GROUP AMENDMENT**

That the following amendments be made to the recommendations listed under point 2, so that the document reads as follows:

2.2 That the Policy, Resources and Growth Committee:

i) 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 sought:***

***1) 100% of nominations for Living Wage Rented Housing are provided only for households from the BHCC waiting list, for whom specifically, the market rent for housing in the private sector exceeds 50% of their income.***

***This is estimated at an annual gross income of:***

***- £36,000 for a three-bed***

***- £31,000 for a 2 bed,***

***-£22,500 for a one bed***

***-£16,000 for a studio***

*Officer Comments*

*As outlined in paragraph 3.34 of the main report and in response to Frequently Asked Question 4 the Living Wage proposal concurs with the Council's draft Allocations Policy which proposes an income cap against the size of accommodation needed so that those high earners who can resolve their housing in the private rented sector are no longer on the Housing Register whilst retaining those on lower incomes who would benefit from Living Wage housing.*

*This proposed amendment is aligned to separate amendments received from Cllr Gibson for Housing & New Homes Committee regarding the Allocations Policy. These proposed amendments to the Allocations Policy will be considered under a separate report to Policy, Resources & Growth Committee. The key issue is that further consultation on the Allocations*



*Policy would be required for changes to the current draft Allocations Policy to be considered, including with regard to the setting of any income cap.*

- 2) That 100% of nominations for shared ownership properties are achieved for residents with a local connection to Brighton and Hove, as defined in the Housing Allocations Policy**

Officer Comments

*This is fine in principle however the JV may need to offer sale more widely if there is no take up locally.*

- 3) That a 'first refusal' option is agreed in the event Hyde become bankrupt; and/or that in the event that Hyde should separately dispose of their stake in the partnership, that their stake be sold to the council or to a charitable housing association, with charitable objectives;<sup>1</sup>**

Officer Comments

*The parties have currently agreed that:*

- 1. if either defaults under the Members' Agreement (which includes becoming insolvent) the other may acquire its interest in the LLP at 90% of the interest's fair value, as determined by an independent valuer;*
- 2. either can transfer its interest to a third party at any time with the prior written consent of the other;*
- 3. either can transfer its interest to a third party after an initial lock-in period, but only after offering the interest to the other member on the same terms;*
- 4. either can transfer its interest to another member of its group (subject to the new member having a sufficient financial covenant and returning the interest if it leaves the group);*
- 5. there may be no transfer to an "unsuitable person";*
- 6. an incoming third party must adhere to the Members' Agreement and Business Plan then in force.*

*Hyde is therefore free to transfer its interest to a third party after the lock-in period has passed if the Council does not exercise the right of first refusal referred to in point 3 above. Under the current proposals, the third party would not need to be a charitable housing association.*

*The Council could seek to change this position by agreeing with Hyde that if the Council chooses not to exercise the right of first refusal then for a period of [ ] days, only charitable housing associations would be given the opportunity to acquire its interest (at market value), failing which it would be free to choose the third party.*

*Hyde might be willing to agree to such a proposal because in both circumstances it will be paid the interest's market value (subject to receiving only 90% of fair value when a transfer takes place after a default).*

**4) That the rent levels set are reduced to the levels modelled in the 30% of living wage rent sensitivity test, (made possible by lowering the rate of return in the base model)**

~~b) agree and authorise execution of the Heads of Terms and subsequently the documentation required to implement the proposed Joint Venture;~~

Officer Comments

*The rents are currently modelled at 40% of the living wage (based in living wage in 2019), if the rent levels in the financial model are reduced to 30% of the living wage this would add significant risk to the JV proposal, bringing the Internal Rate of Return (IRR) on the affordable rented units to approximately 3%, with the overall IRR for the JV (i.e. including shared ownership units) to 4.5%. This financial risk would not be acceptable to either party in the partnership.*

**b) the final terms of the agreement be put forward and agreed by full meeting of Council, prior to the completion of the deal;**

~~e) Make appointments from the Council to the management board;~~

Officer Comments

*Under the existing proposals the Council will delegate authority to senior officers to agree the final Heads of Terms in light of all advice received and execute all documents necessary to implement the joint venture. Members would retain oversight via the cross party Estate Regeneration Board and Strategic Delivery Board.*

**AGENDA ITEM 40**  
**HOUSING DELIVERY OPTIONS – LIVING WAGE JOINT VENTURE**  
**GREEN GROUP AMENDMENT**

That the following addition be made to the recommendations listed under point 2, section (iii), so that the document reads:

- iii) Note that the reserved matters (as detailed in 3.30) will come back to 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
- iv) ***That reserved matters for the Joint Venture should include:***

- (a) An option to veto any future rent increases that exceed increases in the National Living wage;***

*Officer Comments*

*The Council and Hyde would not be able to agree to this veto (also see FAQ 24).*

*To 'peg' rents to the National Living Wage would create financial uncertainty for the Joint Venture, as these increases are politically controlled. It would not prudent to make a significant investment decision based on an unknown factor. Financial modelling assumes rent increases will be in line with the Consumer Price Index (CPI). This provides certainty in financial planning and should also ensure that rents do not rise at a higher rate than the cost of living, keeping pace with wage increases. Note that this is lower than historical rent increases for Housing Associations and Council's which are generally at CPI+1%.*

- (b) An option to veto any future rents increases that raise combined rents and service charges above the Local Housing Allowance;***

*Officer Comments*

*The Council and Hyde would not be able to agree to this veto (also see FAQ 24).*

*Financial modelling assumes rent increases will be in line with the Consumer Price Index (CPI). This provides certainty in financial planning and should also ensure that rents do not rise at a higher rate than the cost of living, keeping pace with wage increases*

**c) An option to increase allowances for maintenance of properties after year 10 in the model**

Officer Comments

*These proposals are not contained in the Heads of Terms. Proposed increases set out in the business plan, linked to CPI, would not need approval from the owners. Any variation away from the business plan, e.g. making an increase or decrease other than CPI, would require approval of both parties.*

*The allowance increase should not be required as the financial modelling includes allowances for management, responsive maintenance and life cycle costs for ongoing stock investment (described as major works sinking fund in assumptions table). These allowances are annually inflated each year. The Council's Finance department have reviewed the assumptions and costs compared to those used in BHCC New Homes for Neighbourhood (NHFN) viability modelling and consider them comparable and adequate to provide a good quality management and maintenance service, together with adequate allowance for stock investment into cyclical works for example to include replacement windows and roofs and so forth.*

That the following addition be made to the recommendations listed under point 2, section (iii), so that the document reads:

- iii) Note that the reserved matters (as detailed in 3.30) will come back to 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
  
- iv) That should the business model exceed its projected rate of return, all surplus monies be ring fenced exclusively to provide additional council owned emergency accommodation for homeless people and additional living wage rented housing**

Officer Comments

*Note the above should read all council surpluses (to be clear the is not all LLP surpluses which would include Hyde's share).*

*In principle this recommendation seems acceptable and it would seem reasonable for members to agree this in principle. However, the detail and mechanism for how this will operate will need to be considered and will come back to a future Policy, Resources and Growth Committee for approval.*

<b>Subject:</b>	<b>Housing Delivery Options – Wholly Owned Housing Company</b>		
<b>Date of Meeting:</b>	<b>16 November 2016 – Housing &amp; New Homes Committee</b> 8 December 2016 – Policy, Resources & Growth Committee		
<b>Report of:</b>	<b>Executive Director for Economy, Environment &amp; Culture</b>		
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<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE****1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 Housing & New Homes Committee on 21 September 2016 considered a report requesting members recommend to Policy, Resources & Growth Committee delegation of authority to relevant Executive Directors to progress a wholly owned special purpose vehicle with reserved matters coming back to Committee for approval. Committee resolved: *That a decision be deferred to the next meeting of the Housing & New Homes Committee to ensure that members can feel fully supportive of the proposals.* Following September Committee further work has been undertaken seeking to address key concerns of councillors through additional briefings offered to Housing spokespersons and their lead members / political groups. Details of briefings are outlined in this report.
- 1.2 This report covers a wholly owned Special Purpose Vehicle or Housing Company. This proposal is informed by outcome of the Housing Market Intervention options study presented to Housing & New Homes Committee in March 2016 who approved the report and agreed to the procurement of legal and other specialist advisers to pursue this work. Following the deferral of the previous report at the September meeting Members requested that the proposal for a wholly owned Special Purpose Vehicle or Housing Company and a separate the proposal for a Joint Venture with Hyde Housing be presented in individual reports.
- 1.3 This report focuses solely on seeking approval to establish the wholly owned Housing Company. It details the kinds of projects that the company will deliver, but does not seek approval to progress each specific project. Specific projects will be the subject of future detailed business cases, with each reported to future Housing & New Homes and Policy Resources & Growth Committees for approval as required. The proposal is for the council to develop a wholly owned housing company to deliver additional homes in a range of ways: including intervening in the housing market as a potential purchaser / lessee of new accommodation being brought forward on development sites in the city or sub-region in order to meet identified housing needs; and, the direct development of new homes.

- 1.4 The key aim of this project is the provision of lower cost rented housing. Supply of new lower cost rented homes is not keeping pace with demand and there is limited evidence of market appetite from developers and Registered Providers to deliver this product. There is also potential to generate a long term income for the council through funding returns and/or a margin through lending from the council.
- 1.5 The council has appointed Bevan Brittan LLP as its legal advisors for this project. This report provides an overview of the proposal to establish a wholly owned Special Purpose Vehicle to provide a range of options to increase the supply of homes. This report relates to the establishment of the company structure only; any projects to be delivered by the company and their funding will come to future committee meetings as separate decisions. Appendix 1 provides an overview of legal advice to date on the establishment of a wholly owned Special Purpose Vehicle or Housing Company.

## **2. RECOMMENDATIONS:**

### **2.1 That Housing & New Homes Committee:**

- i) Recommends the report to Policy, Resources & Growth Committee as out at paragraph 2.2

### **2.2 That Policy, Resources & Growth Committee:**

- ii) 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;
- iii) Note that future projects will come back to committee for approval including any business plans and the disposal of land/sites.

## **3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 Brighton & Hove is a growing city with high housing prices, low incomes, an ageing population and a significant proportion of households with support needs. There are over 23,000 households on the joint housing register, 1,800 households in temporary accommodation and rising homelessness. Social housing makes up only a small proportion of the overall housing in the city with 9.8% of homes owned by the local authority and 5.1% by Registered Providers (RPs).
- 3.2 Housing demand, growth in the private rented sector and rising rents has an adverse effect on affordability of housing in the city. This has contributed to a decline in owner occupation as those seeking to buy their own home are increasingly unable to take advantage of housing for sale either through cost or as a result of sales of residential accommodation meeting demand from buy to let or other landlord investors rather than prospective home owners.
- 3.3 This increasing housing demand, reduced public subsidy for affordable homes (in particular no funding for lower cost general needs rented homes) and a shift away

from development of rented and family homes remain key challenges identified by the council's Housing Strategy and Budget. This has an adverse impact upon the council's ability to respond to the needs of a growing more diverse population and the council's capacity to maintain mixed and balanced communities and retention of lower income working households and employment in the city.

- 3.4 For stock holding authorities such as Brighton & Hove, the Housing Revenue Account debt cap, reduction in rental income of 1% per annum over the next four years and the potential impact of Housing & Planning Act (in particular proposed High Value Void tariff) will restrict resources available for new build and regeneration.
- 3.5 The HRA medium term and 30 year financial forecast was reported to Housing & New Homes Committee (13 January 2016) which showed that the council is nearing its self-financing cap (or limit) on the amount of HRA borrowing permissible for capital investment. For Brighton & Hove this limit is currently set at £156.8 million and the outstanding debt reaches its peak in 2023/24 where the borrowing level is £147.4 million leaving headroom of only £9.4 million.
- 3.6 This position means that the council needs to look at alternative funding and delivery mechanisms if it is to deliver the new affordable homes the city needs. The council has also been looking at opportunities including those related to the structures researched in the proposed Joint Venture with Hyde Housing Association.
- 3.7 Options to mitigate reduced public subsidy for affordable rented homes and Registered Provider shift away from development of this type of accommodation have been subject to regular discussion and review at our Affordable Housing Delivery Partnership (RPs, Homes & Community Agency (HCA) and council) meetings. In particular, as addressing the acute shortage of affordable rented homes and in particular family housing has been identified as a key priority in our Housing Strategy.

### **Wholly owned Council Housing Company**

- 3.8 The council would like to take forward the establishment of a wholly owned special purpose vehicle or housing company. This has become common practice amongst local authorities and will provide the council with flexibility to look at a wide range of housing delivery options including those identified in the previous Housing Market Intervention report and continuing to develop new homes directly through the New Homes for Neighbourhoods programme.
- 3.9 As reported to March 2016 Housing & New Homes and Policy & Resources Committees Savills and Trowers & Hamblins were procured by the council to review options for the council to intervene in the local housing market as a potential purchaser (or lessee) of new housing being brought forward on development sites in the city. The aim would be to meet housing needs, including delivery of homes let at Local Housing Allowance (LHA) rates to households to whom the council owes a statutory duty to accommodate.
- 3.10 The principal assumption in the case studies is that the council would be able to use its position of influence and financial strength to acquire a number of properties off-plan, at a discount to full market value based on the property acquisition assumptions. The financial modelling then uses market information and reasonably standard assumptions in terms of rental yields and operating costs, to show if/how such a proposition could be financially deliverable. Case study

financial modelling shows a proposition which could be viable from the perspective of the company and council.

- 3.11 The Housing Market Intervention report was commissioned from Savills and Trowers & Hamblins sets out the options which are likely to be available in funding and structuring a new council vehicle to support the objectives of this project and outlines the principal funding options. Whilst there is a wide range of options in terms of structuring (including third party involvement through a JV), and in funding (including third party or internal funding arrangements), the likelihood is that the objectives of this project could be most effectively delivered through a wholly owned and funded company. This is a relatively straightforward route which is being followed by a number of local authorities for similar projects.
- 3.12 The kinds of projects that could be undertaken through the company include:
- Purchasing properties off-plan to address a particular housing need
  - Continuing to deliver the New Homes for Neighbourhoods Programme through a new delivery mechanism
  - Delivery and management of new models of temporary accommodation
  - Buying street properties to provide a new supply of accommodation to address housing need
  - A vehicle for delivering new models of low cost housing through innovative modular and system build
  - Delivering new forms supported housing to address Health & Social Care budget pressures
  - Working with partners such as the Community Housing Network to deliver new housing community focused housing in response to the Fairness Commission recommendations
- 3.13 All projects proposals will be considered by the cross-party Estate Regeneration Board and Housing & New Homes Committee at the initiation stage, and any project with corporate or financial implications or that relates to our investment in land and/or property assets will be presented to Policy, Resources & Growth Committee for approval.
- 3.14 Bevan Brittan has advised that establishing a wholly owned company is now common and relatively straightforward to achieve. As well as exploring the opportunities to purchase 'off-plan', the company would give the council more flexibility in developing a range of ways of delivering additional housing in the city and managing properties. Bevan Brittan LLP advise that the company structure could be used for continuing the management and financing of homes built directly by the council through the New Homes for Neighbourhood Programme.
- 3.15 Should the council take forward a new council owned and funded company, in terms of funding, the Savills and Trowers & Hamblins report assumes that the council provides the company with finance to allow it to acquire the properties. The financial arrangements between the council and company are then set up so that:
- They are fully compliant with the regulatory environment (tax, state aid and other government regulation);
  - The company can afford to meet its financial commitment (interest payment to the council) from the retained net rental income – i.e. it has a viable and deliverable Business Plan;



- The council receives sufficient payment from the company to allow it to cover the additional interest cost it will incur in raising the finance provided to the company.
- Take into consideration the risks identified in paragraph 4.1 in this report.

#### 4. RISK AND OPPORTUNITIES

4.1 A number of risks have been identified by the project team and the council's legal advisors:

- **Consents and Best Consideration:** Failure to structure arrangements to meet general consents could mean needing to go to the Secretary of State which would create uncertainty over timing and ultimately whether or on what terms consent would be given. Legal advice has been taken to ensure regulations are met.
- **State Aid:** An issue if contribution of land for no consideration or additional rights. Legal advice is being taken to ensure that the project is compliant.
- **Site identification:** Not able to identify suitable. Sites are being reviewed and any council sites will be brought to future committees once identified.
- **Project financing:** Understanding of financial risks and mitigation. Due diligence analysis will be undertaken on specific proposals.
- **Governance:** The governance structure needs to be fit for purpose in managing delivery of development and does not cause inappropriate conflict issues. Bevan Brittan's legal team are working to develop a structure that best meets the council's interests.
- **Planning:** Changes to national and / or local Planning policy framework. Including potential impact of Housing & Planning Act, in particular in relation to Starter Homes. Not able to gain planning permission for specific schemes or maximise capacity of sites. Early planning advice will be taken on individual schemes.
- **Community opposition:** Potential opposition to schemes. Communities will be engaged in a similar way to they have been for the New Homes for Neighbourhoods programme, for example using Planning for Real techniques.
- **Tax:** Tax implication and liabilities such as SDLT and VAT need to be reviewed in relation to the proposed structure. Tax advice has been sought on the proposed structure and will be reviewed with any relevant changes.
- **Housing Market and construction costs:** Impact of any future economic uncertainty on the housing market and construction costs will be monitored.

#### 5. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

5.1 The council has been investigating a number of delivery options in order to

find a range of mechanisms to increase the supply of affordable housing in the city. This includes the work undertaken in the recent Housing Market Intervention report by Trowers & Hamlins and Savills, as well as recent JV proposals from Hyde Housing.

5.2 Alternative options that have been considered are provided in the list below. It is likely that a range of delivery options will be progressed in the longer term in order to maximise the delivery of new homes. Individual proposals would need to be agreed by relevant committees.

- Wholly owned council vehicle e.g. Housing Company
- JV with a Registered Provider
- A procured joint venture
- Disposal of sites to private developers
- Do nothing

## **6. COMMUNITY ENGAGEMENT & CONSULTATION**

6.1 General consultation on our approach to stimulating new house building, making best use of our Housing Revenue Account (HRA) assets and estate regeneration through the New Homes for Neighbourhoods programme has been undertaken with councillors, council tenants and leaseholders through reports and presentations to Housing & New Homes Committee. The cross party Estate Regeneration Members Board oversees development and delivery of our estate regeneration activities.

6.2 Consultation with residents and ward councillors on specific schemes and sites will require a similar level of community engagement as with the existing New Homes for Neighbourhoods Programme, for example Planning for Real techniques. This has followed a comprehensive process with ward councillors, residents and other stakeholders engaged and consulted at all key stages of individual projects. Consultation will also be undertaken via the Planning process.

6.3 Housing & New Homes Committee on 21 September 2016 considered a report requesting members recommend to Policy, Resources & Growth Committee delegation of authority to relevant Executive Directors to progress a wholly owned special purpose vehicle with reserved matters coming back to Committee for approval. Committee resolved: *That a decision be deferred to the next meeting of the Housing & New Homes Committee to ensure that members can feel fully supportive of the proposals.* In addition to briefings undertaken prior to the September Committee report, further briefings & updates for members have been undertaken since Committee.

## **7. CONCLUSION**

7.1 The establishment of a wholly owned housing company will give the council the flexibility to provide additional housing in a range of ways including purchasing off plan as outlined in the Housing Market Intervention report and continuing to directly develop new homes through the New Homes for Neighbourhoods Programme. Establishing this type of Housing company is now 'tried and tested' by other local authorities and relatively straightforward way to increase options and opportunities for the council to deliver new homes.

## **8. FINANCIAL & OTHER IMPLICATIONS:**

- 8.1 The recommendation in paragraph 2.2 is for delegated authority to progress and implement the establishment of a wholly owned Special Purpose Vehicle or Housing Company to support the provision of additional homes in the city. If this recommendation is approved, finance officers will assess the financial implications upon development of the proposals to ensure financial due diligence is followed, minimising financial risk to the council and achieve the benefits this proposal sets out to achieve. Future projects including any business plans to support them and the financial implications will be required to be reported back to the appropriate committee.
- 8.2 It is anticipated that the cost of the appointed legal consultants to provide expert legal advice will be met within the total capital budget allocation of £0.151 million for this Housing Delivery Options. If there are any significant variations to these costs, this would be reported and approval sought through the council's budget management process.

Finance Officer consulted: Susie Allen

Date: 07/11/16

### Legal Implications:

- 8.3 As set out in the body of the report, the Council has appointed Bevan Brittan LLP as its legal advisor. The legal advice so far is set out in the body of the report as well as in Appendix 1 attached to this report.

Lawyer consulted: Jo Wylly

Date: 7/11/16

### Equalities Implications:

- 8.4 An increase in housing supply will extend opportunities to provide new, well designed homes to accommodate households on the Housing Register who are in housing need.

### Sustainability Implications:

- 8.5 Attaining high sustainability standards is an important in delivering homes that are energy efficient, minimise carbon emissions and reduce water usage. Addressing fuel poverty and reducing total costs of rental or ownership is also an important consideration.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Bevan Brittan advice to BHCC on the establishment of a wholly owned Hosuing Company or Special Purpose Vehicle

### **Documents in Members' Rooms**

None

### **Background Documents**

1. Housing Delivery Options - Housing & New Homes Committee Report 2 March 16
2. Housing Delivery Options – Policy & Resources Committee Report 17 March 16
3. Housing Delivery Options - Housing & New Homes Committee Report 17 September 16

### Crime & Disorder Implications:

- 9.1 The development of Special Purpose Vehicle and / or Joint Venture partnerships offers the opportunity to provide new, well-designed homes which link to the council's wider regeneration aspirations for the city, including the council's economic development and sustainability objectives. Well-designed urban housing has been shown to influence the rate of crime and disorder as well as the quality of life for future occupants.
- 9.2 Vacant sites can sometimes attract anti-social behaviour. With careful planning, the future development of these sites is likely to improve the safety of existing neighbourhoods by reducing crime and the fear of crime.

### Public Health Implications:

- 9.3 There are strong links between improving housing, providing new affordable homes and reducing health inequalities. Energy efficient homes which are easier and cheaper to heat are likely to have a positive influence on the health of occupants of the new homes.

### Corporate / Citywide Implications:

- 9.4 Increasing Housing Supply is a City Plan and Housing Strategy priority. In particular, meeting our housing target of 13,200 new homes in the City by 2030.
- 9.5 In addition, in our Housing Strategy (2015) priority of increasing housing supply to meet identified needs, we are committed work collaboratively with Adult Social Care, Children's Services and Health to reduce long term social care cost pressures and address issues arising with recruitment and retention of lower income staff in the City essential to the operation of these services.
- 9.6 In exploring Housing Delivery Options we are also working in support of the following Corporate priorities:
  - **Increasing Equality**- Coordinate services and spending better between public services to improve equality.
  - **Economy, Jobs and Homes** - Enable development of new, affordable homes, working with government, Registered Providers and other partners to maximize investment.
  - **Health & Wellbeing** - support for key worker housing to meet Health and Social Care employee requirements.
  - **Contributing to the Medium Term Financial Strategy** - Maximising New Homes Bonus and Council Tax revenue resources through improving housing supply; Ensuring Housing investment aligns with the Corporate Plan priorities.
  - **Greater Brighton** – Accelerating housing delivery through exploring housing market intervention / housing company models at a Greater Brighton level. Delivering activity alongside other initiatives and ensuring that the

strength of the housing market is captured to meet local needs including housing type and tenure

9.7 Housing Delivery Options proposals will bring a number of benefits to the city and council including:

- New affordable homes
- Potential long term revenue income from surpluses
- Regeneration of key sites and public realm improvements
- Each new home has potential to generate new Council Tax and New Homes Bonus
- Any business and retail units will generate additional Business Rates
- Potential £3 of economic output for every £1 of public investment based on national calculations
- Apprenticeships and training
- Potential regeneration of existing council stock that is in need of investment or coming to the end of its life

## BRIGHTON & HOVE CITY COUNCIL

### ADVICE ON HOUSING PROJECTS

#### 1 OVERVIEW

- 1.1 Brighton & Hove City Council (**Council**) is considering establishing a vehicle wholly owned and funded by the Council to fund and provide housing in a range of ways including acquiring developed housing off-plan for rent at local housing allowance levels (**Housing Market Intervention (HMI Proposal)**).
- 1.2 The HMI Proposal follows a reasonably established legal model for local authorities wanting to provide housing outside of the traditional social housing framework. The Council has the power to implement the proposal as envisaged in the HMI Proposal. The structure would provide the Council with the legal framework to fund and provide housing in a range of ways and would provide commercial flexibility for future operation, ownership and funding.
- 1.3 This is a summary paper providing headline advice on the legal viability of the proposal highlighting key areas that will require further advice if either proposal is developed further. This is an updated version of an initial draft issued 3<sup>rd</sup> June.

#### 2 HMI MODEL

- 2.1 The Council is also considering a proposal for a wholly owned vehicle to fund and provide housing in a range of ways including purchasing new developed properties from the market to provide tenancies at local housing allowance (**LHA**) levels, to households to whom the Council owes a duty to accommodate. This is a reasonably common model. The outline proposal is:
  - 2.1.1 a company limited by shares wholly owned by the Council;
  - 2.1.2 funded by the Council through a mix of debt and equity;
  - 2.1.3 potential for housing to be funded and provided by a range of ways, including the vehicle using the funds to directly purchase the properties off-plan and letting to tenants at LHA rent levels;
  - 2.1.4 the vehicle would contract out management to either the Council or an agent on the market.
- 2.2 It would be possible for the Council to carry out the proposed activity directly without use of a vehicle – i.e. purchase the properties directly and provide tenancies to households to whom it owes a duty to accommodate. Such activity would be outside of the HRA.
- 2.3 The use of a vehicle would provide greater flexibility around future funding / investment, would be required if there was an element of providing housing for commercial purposes, would provide more options around tenancies including ability to enter into assured shorthold tenancies and would provide greater clarity that the housing is not being held within the HRA.

#### 3 CORPORATE STRUCTURE

- 3.1 The Council has the power to establish the proposed structure and fund the company. It is expected that the funding to the vehicle would be on market terms to mitigate state aid risk.
- 3.2 It is likely that given the function of the vehicle is facilitating the Council meeting its statutory duties that the vehicle would be subject to the procurement legislation in the same way that the Council is. The vehicle could be structured to comply with the Teckal exemption, meaning the Council and the company could contract with each other without any need for competitive procurement processes.

- 3.3 There is flexibility as to the exact level of control that the Council would have over the company's operation. The framework and typical levers for authority control are through the governance arrangements (see section 4 below) and the funding and associated security documentation.
- 3.4 The company will be subject to corporation tax on profits earned from its activities. The company is to be partly funded by debt from the Council. Interest payment on the debt should be deductible for corporation tax purposes provided that the interest paid (and the level of debt) is market rate, on an arm's length basis.
- 3.5 The supplies to be made by the company are all supplies of residential property, which is generally exempt from VAT. As such, the company is unlikely to be able to recover VAT incurred on costs, particularly any VAT charged by the Council or agent for management services and ongoing costs of maintenance etc. The acquisition of the properties is likely to be either zero-rated or exempt from VAT, so that there should not be substantial VAT involved in acquiring the housing stock. The company will be subject to SDLT on property purchases from the market.

#### **4 FLEXIBILITY OF MODEL**

- 4.1 The proposed model would have flexibility to be used for a range of purposes including other housing activity, for example development of new units, as well as non-housing activity such as owning other general fund property / assets.
- 4.2 The vehicle would be established with unrestricted objects meaning from the company's perspective it could undertake any lawful activity. The shareholder agreement with the Council would restrict the company's activity to what was approved by the Council in the business plan. Therefore it would be for the Council to set the remit of the company's activity and the Council could set this as broadly or narrowly as it would like and would be able to change the approved remit over time as it wished. It would be normal for any substantive alteration of the company's business to be referred back to councillors either through the business plan or, if in year, as a reserved matter (see paragraph 5.2 and 5.3).
- 4.3 Whilst the company would be capable of taking on a very wide range of activity the Council will need to consider in respect of each new activity whether the company would be the most appropriate vehicle. For example, if the Council was looking at bringing in third party investment the Council may want to limit the third party's security to specific assets rather than subjecting a broader range of assets to the security.
- 4.4 Where the vehicle is to be used the most effective way of using it will vary depending on the particular circumstances of activity being considered. For example, on new developments of residential property it is often more VAT efficient for the Council to undertake the development and to then transfer or lease the property to the vehicle. It will therefore be important that the Council retains a flexible view as to how the vehicle could be used and assess that on a case by case basis.
- 4.5 Appendix 1 provides some examples of the different ways in which local authorities are using wholly owned housing / property development vehicles.

#### **5 GOVERNANCE**

- 5.1 The governance of the vehicle will be based around the two roles of shareholders and directors.
- 5.2 The Council would be the sole shareholder, and retain overall control over the company through:
  - 5.2.1 its statutory rights as shareholder;
  - 5.2.2 right to appoint and remove the board of directors;
  - 5.2.3 rights created under the shareholders' agreement, importantly the right to approve a business plan and the requirement that certain listed decisions, referred to as "reserved matters", must be referred back to the Council.



- 5.3 The shareholder function is normally undertaken by members. The board of directors then have the remit and discretion to implement the business plan subject to the reserved matters. The level of discretion given to the board depends on the framing of the business case – i.e. how prescriptive or flexible it is – and what the reserved matters are.
- 5.4 It is generally easier to manage conflicts of interests issues for an "officer board member" than for an elected member as the Council can agree to the officer continuing to act as an officer despite potential conflicts and agree not to take action against the individual where the individual is required to act contrary to the interests of the Council due to the person's role as a board member.
- 5.5 Where a board member is a councillor, the person must disclose any potential conflicts of interests and observe the requirements of the Code of Conduct of the Council. The board member must also be careful (when undertaking their Council role) to behave in ways which avoids suggestions of bias or predetermination.
- 5.6 Whilst the Council could grant a dispensation under the Code of Conduct to allow a councillor to continue to take decisions relating to the company within the Council, it is not possible for the Council to avoid accusations of bias or predetermination, especially if the councillor is particularly senior. Participation on the board of the vehicle could therefore preclude a councillor from being involved in decisions within the Council relating to the joint venture.
- 5.7 The risks around conflicts for officer board members are hard to manage where officer directors are responsible within the Council for decisions materially affecting the vehicle. This risk is best mitigated by not putting Council officers who are directors of Council vehicles or joint ventures in roles where they have to make decisions relating to those vehicles. For this reason we would advise against statutory officers (monitoring officer, s.151 officer and the head of paid service) being appointed as board members as they may be required to undertake their statutory roles in relation to the vehicle at some point which would raise difficult conflicts. If this is a requirement we advise careful thought and further advice is taken on how to mitigate the impacts.
- 5.8 For these reasons the Council's proposal is that the board of directors are officers of the Council. This reflects the proposed position on the corporate joint venture with Hyde for the Living Wage project.

## 6 IMPLEMENTATION

- 6.1 The steps for establishing the HMI vehicle as a company limited by shares are quite straightforward. The following documentation would be required.

Document	Summary
Articles of association and shareholder's agreement	Governance documentation setting out the governance arrangements for the company and the control of the Council as well as terms of equity investment.  Areas covered include board composition, basis of funding, reporting obligations, business plan process and reserved matters
Resourcing contract	Contract for the provision of support services and resources to the vehicle in order for it to operate, for example, secondment of staff, assets (including premises from which to operate) and back office services (HR and ICT);
Capital funding agreement including security	Loan for capital required to make purchases / developments as well as security over the vehicle and its assets. Likely to be on a draw-down basis.
Working capital funding	Facility to provide cash flow resource for the vehicle.

- 6.2 Key issues that will need to be worked through in order to feed into these documents include:
  - 6.2.1 level of independence for the vehicle / level of control by the Council;
  - 6.2.2 governance arrangements for the vehicle's board;
  - 6.2.3 basis of funding, including mix of debt and equity;
  - 6.2.4 approach to security for funding documents;
  - 6.2.5 resourcing of the vehicle.
- 6.3 The above documents would establish the vehicle as an entity capable of operating. The more substantive task is determining and agreeing the business plan for the vehicle and the detail of what activity it will undertake. In relation to specific activity, there will be a further phase of documents and considerations, including:
  - 6.3.1 property documentation – e.g. leases and / or transfers;
  - 6.3.2 tax advice on most appropriate approach.
- 6.4 In practice these two phases can be progressed in parallel. To take forward the establishment of the vehicle we could prepare draft documentation for the vehicle together with key issues papers to provide a platform for more detailed consideration of the structure and discussion within the Council. This could then form the basis of a workshop or meeting with the Council to work through the issues and develop an agreed approach to the structure and finalising the documentation. We can of course be flexible as to how the Council would like to take this forward.

**[draft] August 2016**

**APPENDIX 1 – EXAMPLES OF LOCAL AUTHORITY WHOLLY OWNED HOUSING / PROPERTY VEHICLES**

<b>Local Authority</b>	<b>Activity / Purpose of Vehicles</b>	<b>Governance Arrangements</b>
London Borough of Harrow	<ul style="list-style-type: none"> <li>• Flexible remit</li> <li>• Purchase of Properties from market for rent to meet temporary accommodation demand.</li> <li>• Ownership of newly developed affordable housing</li> <li>• Ownership of newly developed units for private rent as investment activity</li> </ul>	Board of three, all officers
Runnymede Council	<ul style="list-style-type: none"> <li>• Ownership of private rent stock as investment activity</li> </ul>	Board of three, all officers
Portsmouth City Council	<ul style="list-style-type: none"> <li>• Ownership of general fund assets for development</li> <li>• Ownership of units for private rent</li> </ul>	To be determined
Bournemouth Council	<ul style="list-style-type: none"> <li>• Purchase of units from the market for rent to meet temporary accommodation demand</li> <li>• Purchase of units for private rent to generate return to general fund</li> <li>• Potential for development</li> </ul>	One councillor with remaining officers
London Borough of Hounslow	<ul style="list-style-type: none"> <li>• Ownership of units for private rent for return to general fund</li> <li>• Wide range of broader commercial activity for purpose of generating return to Council</li> </ul>	Two officers and executive director (i.e. chief executive of company)
Teignbridge Council	<ul style="list-style-type: none"> <li>• Direct development of new sites</li> <li>• Route for facilitating self-build</li> <li>• Potential for private rent units</li> </ul>	To be determined



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