The Town Hall has facilities for wheelchair users, including lifts and toilets.

An Induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter and infra red hearing aids are available for use during the meeting. If you require any further information or assistance, please contact the receptionist on arrival.

**FIRE / EMERGENCY EVACUATION PROCEDURE**

If the fire alarm sounds continuously, or if you are instructed to do so, you must leave the building by the nearest available exit. You will be directed to the nearest exit by council staff. It is vital that you follow their instructions:

- You should proceed calmly; do not run and do not use the lifts;
- Do not stop to collect personal belongings;
- Once you are outside, please do not wait immediately next to the building, but move some distance away and await further instructions; and
- Do not re-enter the building until told that it is safe to do so.
PROCEDURAL MATTERS

43 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.

44 MINUTES

To consider the minutes of the meeting held on 9 July 2015 (copy attached).

Contact Officer: Ross Keatley Tel: 29-1064
CALL OVER

(a) Items (49 - 59) 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

PUBLIC INVOLVEMENT

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 as notified for presentation at the meeting by the due date of the 1 October 2015;

(b) Written Questions: to receive any questions submitted by the due date of 12 noon on the 8 October 2015;

(c) Deputations: to receive any deputations submitted by the due date of 12 noon on the 8 October 2015.

MEMBER INVOLVEMENT

To consider the following matters raised by councillors:

(c) Letters: to consider any letters;

Councillor G. Theobald, Councillor Simson & Councillor Wealls – Council Transformation

FINANCIAL MATTERS

TARGETTED BUDGET MANAGEMENT (TBM) 2015/16 MONTH 5

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

Contact Officer: Nigel Manvell       Tel: 29-3104
Ward Affected: All Wards
STRATEGIC & POLICY MATTERS

50 INTRODUCTION OF CHARGES TO COVER COSTS FOR PRE-APPLICATION PLANNING ADVICE, PLANNING PERFORMANCE AGREEMENTS AND DESIGN REVIEW

Report of the Acting Executive Director for Environment, Development & Housing (copy attached).
Contact Officer: Jeanette Walsh  Tel: 01273 292098
Ward Affected: All Wards

51 PROPOSED SUBMISSION EAST SUSSEX, SOUTH DOWNS AND BRIGHTON & HOVE WASTE AND MINERALS SITES PLAN

Report of the Acting Executive Director for Environment, Development & Housing (copy attached).
Contact Officer: Steve Tremlett  Tel: 29-2108
Ward Affected: All Wards

52 CUSTOMER FIRST IN A DIGITAL AGE

Report of the Interim Executive Director for Finance & Resources (copy attached).
Contact Officer: Mark Watson  Tel: 01273 291585
Ward Affected: All Wards

REGENERATION & PROPERTY MATTERS

53 REVIEW OF THE LONG LEASE HELD BY THE BRIGHTON LIONS AT LIONS COURT

Report of the Acting Executive Director for Environment, Development & Housing (copy attached).
Contact Officer: Simon Pickles  Tel: 01273 292083
Ward Affected: East Brighton

54 PLAYING FIELD AT OLD SHOREHAM ROAD

Report of the Executive Director for Children's Services (copy attached).
Contact Officer: Michael Nix  Tel: 29-0732
Ward Affected: Goldsmid
55  SEAFRONT INVESTMENT PROGRAMME: LANDSCAPING ADJACENT TO BRIGHTON I360 237 - 246

Joint report of the Interim Executive Director for Finance & Resources and the Executive Director for Environment, Development & Housing (copy attached).

Contact Officer: Mark Ireland, Katharine Pearce  Tel: 29-1240, Tel: 29-2553

Ward Affected: Regency

GENERAL MATTERS

56  REVIEW OF THE COUNCIL’S CONSTITUTION - OCTOBER 2015 247 - 278

Report of the Monitoring Officer (copy attached).

Contact Officer: Elizabeth Culbert  Tel: 01273-291515

Ward Affected: All Wards

CONTRACTUAL MATTERS

57  UPDATE ON WASTE JOINT WORKING AGREEMENT BETWEEN BRIGHTON & HOVE CITY COUNCIL AND EAST SUSSEX COUNTY COUNCIL 279 - 282

Report of the Acting Executive Director for Environment, Development & Housing (copy attached).

Contact Officer: Richard Bradley  Tel: 294701

Ward Affected: All Wards

58  ITEMS REFERRED FOR COUNCIL

To consider items to be submitted to the 22 October 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 12 October 2015 (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

CONTRACTUAL MATTERS

59 UPDATE ON WASTE JOINT WORKING AGREEMENT BETWEEN 283 - 336
BRIGHTON & HOVE CITY COUNCIL AND EAST SUSSEX COUNTY
COUNCIL - EXEMPT CATEGORY 3

Part Two Appendix to Item 57 on the agenda (circulated to Members
only).

Contact Officer: Richard Bradley Tel: 294701
Ward Affected: All Wards

PROCEDURAL MATTERS

60 PART TWO MINUTES - EXEMPT CATEGORIES 3 AND 5 337 - 338

To consider the part two minutes of the meeting held on the 9 July 2015
(circulated to Members only).

Contact Officer: Ross Keatley Tel: 29-1064
Ward Affected: All Wards

61 PART TWO PROCEEDINGS

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

The City Council actively welcomes members of the public and the press to attend its
meetings and holds as many of its meetings as possible in public. Provision is also made
on the agendas for public questions and deputations to committees and details of how
questions and deputations can be raised can be found on the website and/or on agendas for
the meetings.

The closing date for receipt of public questions and deputations for the next meeting is 12
noon on the fifth working day before the meeting.

Agendas and minutes are published on the council’s website www.brighton-hove.gov.uk.
Agendas are available to view five working days prior to the meeting date.

Meeting papers can be provided, on request, in large print, in Braille, on audio tape or on
disc, or translated into any other language as requested.

WEBCASTING NOTICE

This meeting may be filmed for live or subsequent broadcast via the Council’s website. At
the start of the meeting the Chair will confirm if all or part of the meeting is being filmed.
You should be aware that the Council is a Data Controller under the Data Protection Act
1988. Data collected during this web cast will be retained in accordance with the Council’s
published policy (Guidance for Employees’ on the BHCC website).

For further details and general enquiries about this meeting contact Ross Keatley, (01273
ACCESS NOTICE
The lift cannot be used in an emergency. Evac Chairs are available for self-transfer and you are requested to inform Reception prior to going up to the Public Gallery. For your own safety please do not go beyond the Ground Floor if you are unable to use the stairs. Please inform staff on Reception of this affects you so that you can be directed to the Council Chamber where you can watch the meeting or if you need to take part in the proceedings e.g. because you have submitted a public question.

Date of Publication - Wednesday, 7 October 2015
BRIGHTON & HOVE CITY COUNCIL

POLICY & RESOURCES COMMITTEE

4.00pm 9 JULY 2015

AUDITORIUM - THE BRIGHTHELM CENTRE

MINUTES

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

PART ONE

16 PROCEDURAL BUSINESS

(a) Declarations of Substitutes

16.1 Councillor Meadows was present in substitution for Councillor Bewick.

(b) Declarations of Interest

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

(c) Exclusion of Press and Public

16.3 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.

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

17 MINUTES

17.1 RESOLVED – That the Chair be authorised to sign the minutes of the meeting held on 11 June 2015 and the special meeting held on 18 June 2015 as a correct record.

18 CHAIR’S COMMUNICATIONS

18.1 The Chair gave the following communications:

“Today’s meeting will be web cast live and will be capable of repeated viewing.”
There will be a change to the order of the agenda. If called Item 30 Supported Bus Network will be taken first of the reports to allow the Officer to leave the meeting early.

I would like to welcome you all to the second Policy and Resources Committee meeting to take place at Brighthelm, which will be webcast live and be capable of repeated viewing.

Firstly, I would like to congratulate Hilary Woodward and Marten Matthews from our Legal Services team, who took part in the London to Brighton bike ride with their children and raised over £4,000 for the British Heart Foundation. I hope they are now suitably recovered, but still feeling proud of themselves, as well they should.

I would also like to thank all the council officers and partners who helped to mark Armed Forces Day on 27th June. It took a lot of work to organise the entertainment and activities that took place on the day, including the flag raising ceremony, veterans parade and Chattri exhibition among other things. It is an honour for the city to be able to come together in such a way and celebrate everyone who has served in our armed forces.

The annual Public Health Report, ‘Look Inequality’ has now been launched and explores inequality in the city by looking at education, housing, employment, income, health, crime and the environment and explains how we are addressing the inequalities in these areas. It is an important resource document for the council and the city and will inform future work, particularly as part of the evidence base for the Brighton & Hove Fairness Commission. Well done and thank you to the Public Health team and all those who contributed.

I would like to give a special mention to two events taking place in the city in the coming weeks.

Now in its third year and going from strength to strength is Trans Pride, with the main event happening at Dorset Gardens on 25th July. It will be a wonderful celebratory occasion for the city. As will be Pride, which is reaching its milestone 25th year. The Pride organisers will also be running a campaign around the city to promote respecting each and every participant, worker and service provider who make our Pride celebrations and events so special. Respecting those who help us deliver a safe and amazing festival of events is an important message to put out to the city and its visitors and one that we must also apply in our day-to-day lives. I hope everyone has a wonderful Pride.

Lastly I would like to thank our emergency services and members of the public who came to the aid of those involved in Monday’s bus crash. I’m sure everyone here will join me in sending our best wishes to those injured or affected by the incident and wish them a speedy recovery.’’

19 CALL OVER

19.1 The following items were reserved for discussion:

Item 22 Targetted Budget Management (TBM) 2015/16 Month 2
Item 23  Treasury Management Policy Statement 2014/15 – End of Year Review
Item 25  Waiver Report
Item 27  Refuse, Recycling & Street Cleansing Review and Priorities
Item 28  Managing Anti-Social Behaviour in City Parks and on the Seafront
Item 29  Support Functions Review
Item 30  Supported Bus Network
Item 31  Interrag VA – City Council Funding Bids
Item 32  New Homes for Neighbourhoods – Final Scheme Approval – Findon Road and Garage Sites Update
Item 33  Request to Sell Piece of HRA Land at Connell Drive
Item 34  Disposal of Land at Eastbrook Farm Site
Item 35  Land at West Blatchington Primary School, Hove: Proposed Lease to the Education Funding Agency for the Purpose of a Permanent Site for the King’s School
Item 36  Review of Appointments to Council Bodies, Partnerships and Outside Bodies
Item 37  2014-15 Performance Update Report

Part Two

Item 39  Approval to Establish Commercial Waste Collections – Exempt Category 3
Item 40  Disposal of Land at Eastbrook Farm Site – Exempt Category 3

19.2 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 approved and adopted.

Item 26 Progress Report of the Workforce Equalities Action Plan

20  PUBLIC INVOLVEMENT

(A) Petitions

20.1 The Chair welcomed Steve Parry to the Committee and asked him to come forward and present his petition in relation to ‘Bedroom Tax, DLA and Discretionary Housing Payments’.

20.2 Mr Parry thanked the Chair and explained that his petition affected a small number of people in the city and related to a small amount of money; however, for those affected the issue was significant and impacted their quality of life. He noted that the position had been adopted at Full Council with cross-party support. An anomaly had been raised in the High Court and the Council had agreed to look into the matter further; following a High Court ruling Mr Parry had written to the Council, but not received a response. Mr Parry stated his view that it was unlawful for the Council to consider disability living allowance (DLA) when calculating discretionary housing payment (DHP); DLA was ring-fenced and could not be used in the assessment. Mr Parry concluded his view that the current approach of the Council was unlawful, and the decision of the High Court was currently being reviewed.
20.3 The Chair provided the following response:

“We acknowledge the concerns raised in the ePetition, having recognised this to be an issue in August 2014, we stopped considering disability benefits as a potential income to take into account when assessing discretionary housing payments (DHP) applications. So for the last 11 months disability living allowance (DLA) has not been considered as income for any DHP.

The reason that it was initially considered was to support those with the smallest relative incomes. DLA was only considered as part of an overall income and outgoing assessment. DLA was not taken in to account where it was already accounted for within an applicant’s budget / disability related costs. This supported families (mainly those with children) who were not in receipt of DLA. It was a difficult choice and was made with the intent of supporting those most likely to be faced with homelessness.

At the time the amount of overall future demand for DHP was unknown but expected to significantly increase and we had to plan expenditure accordingly. As the factors affecting DHP demand change we regularly review our criteria and strategy. This is an ongoing process, with monthly meetings.

At the time, the decisions made were fully in line with the Government directions on the subject. It is only as of March 2015 that the Courts have found the process as set in government guidance to have been incorrect, by which time we had already changed our policies. It is not ‘illegal’ as claimed. It has been deemed to be unlawful in certain regards.

The research we have undertaken show that 71 applications may have been impacted as a result. The assessment of eligibility for DHP is not solely income based – a range of other factors are also involved. So of the 71 a number will not have been entitled in any event and a number more may have only been entitled to small amounts of DHP. We are happy to review cases to ascertain whether any payment would have been due, had central government advice been accurate.

We acknowledge the concerns raised in the ePetition, having recognised this to be an issue in August 2014, we stopped considering disability benefits as a potential income to take into account when assessing DHP applications. So for the last 11 months DLA has not been considered as income for any DHP.”

20.4 RESOLVED – That the Committee note the petition.

(B) Deputations

20.5 The Chair noted there was a deputation; Member petition and Member letter in relation to Meadow view and Tenantry Bus Services and agreed to take all these items together for consideration. The Chair called forward Rebecca Barkaway to present her deputation.

20.6 Ms Barkaway introduced herself as Chair of the Coombe Road LAT, and stated she represented residents of Meadowview and Tenantry that were struggling following the
Withdrawal of the No. 37 service in the area; residents were asking that funding be made available to retain the service. It was acknowledged that Compass were providing a good service, and, whilst they had been responsive to concerns, the service was only hourly. Residents were frustrated as the withdrawal of the service made living in the area much more difficult due to steepness of the hills, and they had signed a petition that had been presented to Full Council by Councillor Marsh. There was also concern in relation to the cost of buses for more ‘socially excluded’ residents in the area. Ms Barkaway stated that the area was isolated and very dark at night, and residents would not feel safe – particularly during the winter months. The regular bus service not only provided safe transport, but also acted as a means to monitor activity generally. The petition presented to Full Council had been signed by 181 residents, and there was also pressure from other groups to retain the service for access to the cemetery. The community needed Council resources to retain its transport links and participate and contribute towards the city.

20.7 The Chair called forward Councillor Yates to present his letter of behalf of all three Ward Councillors for Moulsecoomb and Bevandean.

20.8 Councillor Yates stated that Coombe Road as long and steep, and without the bus service residents would have to walk from Lewes Road up the hill for a distance of between 1 to 1.5 miles. This situation was unacceptable, and would not encourage visitors or new residents to the area; as well as affecting visitors to the Jewish cemetery. There was concern that without the evening service it would be very difficult for residents to return home after work, and the community could become very isolated after 7 p.m. Whilst the Compass service was helping the situation it was not as easy to use as the previous Brighton & Hove Buses services, which used the citywide real-time bus boards.

20.9 Councillor Meadows noted her support of the deputation and petition; she explained that without the bus service residents would be forced to use cars and taxis and the situation was very distressing for residents.

20.10 The Chair provided the following response:

"Under the threshold budget for 2015-16, agreed by Full Council in March 2015, the budget for supported bus services can no longer fund evening services on 37/37A from December 2015. It is recognised that this would be a significant loss of transport for the community as there is a significant risk that from December no evening services will operate on these routes as Compass have indicated that they are unlikely to be able to take this on commercially. Officers will continue to work closely with the bus operators on this and other routes across the city, including work on the Multi-Operator Ticketing project which is due to become fully operational, with the on board bus equipment, on 2nd August 2015. This has included officers and bus operators negotiating the early acceptance of Smart Tickets on the 37/37A and 37B when they were first taken over by Compass in April.

Officers from the Council’s Public Transport team and senior managers from Compass Bus have met recently with the local community to discuss the issues detailed in the deputation and it is our understanding that there has been improvement recently these issues raised. Officers will continue to work with the Bus Company and local residents..."
to address such issues as they arise. With regards to the Real Time Information, whilst it is the case that full implementation of this, technically complicated programme has been delayed, initial testing of the system is progressing well and it is expected that the scheme will be completed this year.

All council-funded (‘supported’) bus services are the subject of a report that will be considered by this Committee, which seeks permission to undertake an Area Network Review of Supported services and as part of that to consult with communities on the future provision of supported routes across the city.”

20.11 RESOLVED – That the Committee note the deputation; Member petition and Member letter.

21 MEMBER INVOLVEMENT

(a) Petitions

21.1 The petition in relation to Bus Services in Coombe Road and Meadowview was considered at Item 20.

(b) Written Questions

21.2 The Chair noted there was one written question listed in the agenda from Councillor Wares in relation to Horsdean Traveller Site, and invited Councillor Wares to come forward and put his question.

21.2 Councillor Wares asked:

“I have been informed by officers that the proposed Horsdean traveller site expansion project (12 new permanent pitches and alterations to the remaining 21 transit pitches) is now forecast to cost in the region of £2.4m, some £700k above the Government grant of £1.7m. Residents will quite understandably be very concerned to learn of this large increase in the Budget which they will have to pay for through their council tax. I need hardly point out that 12 new pitches at £2.4 million equates to £200k per pitch, each consisting essentially of concrete hard-standing and a toilet/shower facility.

Will the Leader of the Council please tell me a) what the reason is for this large overspend and b) when and by whom this additional £700k of public funding was authorised?”

21.3 In response the Chair stated:

“It is true that rising costs have increased the total cost of delivering the proposed permanent traveller site at Horsdean above the original £1.7 million grant from central government that was paid to the council seven years ago, back in 2008. In the last few years there has been a significant rise in construction costs, an issue that is impacting on all major projects.
As well as construction cost inflation, the increase is the result of the need to provide for infrastructure that will deal with surface water and foul water on an environmentally-sensitive site where the protection of groundwater is a paramount consideration.

The cost of dealing with surface water drainage has risen from last year’s estimate of £105,000 to £300,000. These costs reflect the design that has been agreed following a series of discussions earlier this year between the council’s engineering contractors and the Environment Agency, as well as ongoing dialogue with the Patcham and Hollingbury Conservation Association. The cost of providing an offsite solution to foul water drainage will involve boring under the A27 to connect to Southern Water’s sewerage system on the south side of the road. P&R granted an additional £170,000 last December to pay for this element of the project that, following completion of the detailed design, has since increased to £190,000.

It should be borne in mind that these elements of the project will also enable the continued operation of the transit site, which would otherwise have to be closed down.

If we subtract the cost of the offsite drainage and elements of surface water drainage that are necessary for the continued operation of the transit site, the total cost of delivering the permanent travellers site is around £2.13 million and equates to around £177,000 per unit. I would emphasise that the units consist of more than a concrete hard standing and a toilet/shower facility, with kitchen and day facilities also being provided in separate plots in a carefully landscaped area within the National Park. The cost of £177,000 per unit compares very favourably with gypsy and traveller facilities being provided elsewhere in the UK, where schemes are costing around this amount for transit pitches alone, without the benefit of the habitable-by-day units with electricity, plumbing and hot and cold water that we will be providing on our new permanent site at Horsdean.

Regarding authorisation for the increases in cost above the original £1.7 million grant, I can advise that £349,000 was agreed by P&R at last December’s meeting. The remaining £300,000 shortfall is being requested to be found from reserves in the TBM report at today’s meeting.”

21.4 By way of a supplementary question Councillor Wares asked if a full report should be bought to the Committee for consideration given the increased cost of the delivering the scheme. In response the Chair explained that the scheme had been through consultation, and any further delay would put the whole project at risk.

(C) Member Letters

21.5 The letter in relation to Bus Services in Coombe Road and Meadowview was considered at Item 20.

21.6 The Chair noted there were no further matters for consideration from Members.

22 TARGETTED BUDGET MANAGEMENT (TBM) 2015/16 MONTH 2

22.1 The Committee considered a report of the Interim Executive Director for Finance & Resources in relation to Targetted Budget Management (TBM) 2015/16 Month 2. The
TBM report was a key component of the Council’s overall performance monitoring and control framework; the report set out an early indication of forecast risk as at Month 2 on the Council’s revenue and capital budgets for the financial year 2015/16.

22.2 Councillor Hamilton noted the comments made by the Interim Executive Director by way of introduction, and stated, that despite forecast risk in the report, this was a very early position in the financial year and Officers were looking in detail at mitigation measures. Councillor Hamilton had confidence that this would be brought down by the end of the year.

22.3 In response to Councillor Sykes it was confirmed that the funds in the dedicated schools grant were ring-fenced for priorities relating to schools and school support.

22.4 In response to a further query from Councillor Sykes that it was clarified that there were pressures on budgets in Children’s Services that related to child protection, this was similar to the trend being seen nationally. The Children’s Services Assistant Director provided assurance that the department was working hard towards a recovery plan. The recent Ofsted inspection had provided assurance that the thresholds were correct to ensure the right level of support was in place. The Executive Director of Adult’s Services provided assurance that the work on TBM 3 was seeing the increase in the community care budget begin to slow down.

22.5 Councillor G. Theobald welcomed the addition information in the report to map TBM progress against planned budget savings. He noted that the number of those claiming Council Tax benefit had reduced to reflect the increased number of people in work, and he attributed this to measures from Central Government.

22.6 Councillor G. Theobald raised a number of questions, and Officers explained that the Council would not take on the award of costs following the withdrawal of the authority from University of Sussex planning appeal, but there would be some costs involved as the authority had instructed counsel. In relation to City Clean the bank holiday and service guarantee was an agreement between staff and the unions; there would be an overspend this financial year, due to the way the bank holidays fell across the financial year, but this would fall back in line in the following years. The Director of Public agreed to send information to the Committee in relation to reductions in the late night noise service.

22.7 Councillor Wealls welcomed the early intervention work taking place and noted that there was real evidence this was effective. In response to queries about the review of special educational needs and disability the Executive Director for Adult’s Services clarified that the adult review related to personal approaches to packages; a number of actions had been put into place and there would be a full report to the October Health & Wellbeing Board. The Children’s Services Assistant Director added that where there were issues with home to school transport this was very much linked up with wider conversations about other interventions; the report in the autumn would provide more opportunity to look in detail at the recommendations. In relation to children in care it was added that emerging patterns matched the national trend; Ofsted had not highlighted anything that was cause for concern, and the transformation of the social work service would use resources better and more efficiently.
22.8 Councillor A. Norman drew attention to the inclusion of Surrendean and Fiveways parking scheme, and noted she and her Ward colleagues were already carrying out parking surveys.

22.9 Councillor G. Theobald proposed an amendment to recommendation 2.6 that the words ‘with the exemption of permanent traveller site (as at page 83)’ be added to the end of the sentence.

22.10 The Chair then put the amendment to the vote. This was lost.

22.11 The Chair then put the substantive recommendations to the vote.

22.12 **RESOLVED:**

1) That the Committee note the forecast risk position for the General Fund, which indicates a budget pressure of £9.430m. This consists of £8.735m on council controlled budgets and £0.695m on the council’s share of the NHS managed Section 75 services.

2) Note that Financial Recovery Plans are being developed and finalised and will be reviewed by the cross-party Budget Review Group which will provide member oversight.

3) That the Committee note the forecast for the Housing Revenue Account (HRA), which is an underspend of £0.045m.

4) That the Committee note the forecast risk position for the Dedicated Schools Grant which is an overspend of £0.209m.

5) That the Committee note the forecast outturn position on the capital programme.

6) That the Committee approve the capital programme variations and reprofiles in Appendix 3 and new capital schemes in Appendix 4 (excluding the Dorothy Stringer all weather pitch).

23 **TREASURY MANAGEMENT POLICY STATEMENT 2014/15 - END OF YEAR REVIEW**

23.1 The Committee considered a report of the Interim Executive Director for Finance & Resources in relation to Treasury Management Policy Statement (TMPS) 2014/15 – End of Year Review. The 2014/15 Treasury Management Policy Statement practices and schedules were approved by the Committee on 20 March 2014. The TMPS set out the role of Treasury Management whilst the practices and schedules set out the annual targets and methods by which these targets would be met. The TMPS included the Annual Investment Strategy which set out the key parameters for investing Council cash funds and was adopted at Council on 27 March 2014.

23.2 In response to Councillor Sykes the Interim Executive Director confirmed that the authorised limit was the maximum level of borrowing that could be outstanding at any one time; this limit was set by statute as part of the Local Government Act 2003. It was
also confirmed that there were no proposed changes or cuts to the Treasury Management Team.

23.3 In response to Councillor Mac Cafferty it was explained that the investment strategy of was very risk adverse, and used external advisors to ensure it was making sound investments. Investments were typically short to ensure there was a strong recovery of invested money.

23.4 Councillor A. Norman stated she had always been very impressed by the work of the Treasury Team, and she hoped that more could be done to make residents aware of the careful investment of Council funds on their behalf.

23.5 Councillor Hamilton highlighted the low risk of investments and stated he had full confidence in the Treasury Team. Councillor G. Theobald also commended the work of the team.

23.6 The Chair then put the recommendations to the vote.

23.7 RESOLVED:

1) That Policy & Resources Committee endorses the key actions taken during the second half of 2014/15 to meet the treasury management policy statement and practices (including the investment strategy) as set out in this report.

2) That Policy & Resources Committee note the reported compliance with the Annual Investment Strategy for the period under review.

3) That Policy & Resources Committee notes that the approved maximum indicator for investment risk of 0.05% has been adhered to and the authorised limit and operational boundary have not been exceeded.

RESOLVED TO RECOMMEND

4) That Policy & Resources Committee recommend to full Council to approve amendments to the Annual Investment Strategy as set out in paragraphs 3.16 to 3.19 of this report.


24.1 The Committee considered a report of the Interim Executive for Finance & Resources in relation to Corporate Plan & Medium Term Financial Strategy 2015- 2019: Budget Planning and Resource Update 2016/17. The report provided a budget planning and resource update for the 2016/17 budget process in the context of the Council’s agreed Corporate Plan and Medium Financial Strategy 2015 – 2019. The Medium Term Financial Strategy (MTFS) was developed directly alongside the Corporate Plan, identifying common areas for investment to support priorities and principles that were shared with city partnerships.
24.2 Councillor G. Theobald welcomed the report and noted that the Conservative Group had been asking for a fundamental review of all Council services for some years – he also highlighted the decision of the previous administration to move away from the intelligent commissioning model. The surplus in the budget from 2014/15 was evidence that the authority could have frozen Council Tax in the budget, and the reduction in the number of Council Tax claimants was evidence that the reforms from Central Government were having an impact in the city. He expressed concern in relation to the spend on ICT and asked for greater assurance that this would create more stability in the ICT infrastructure.

24.3 Councillor Hamilton noted that the Council Tax reduction rates would have to be set by the end of the year; he added that whilst the scheme was advertised there would still be difficulties as the impact of benefits changes from Central Government would not be known yet.

24.4 Councillor Wealls added that the Conservative Group would work constructively to help deliver budget savings and he was in support of the four year planning. In response to a query the Chair confirmed that the review would look at how all services were delivered.

24.5 Councillor Janio referenced comments he had made at the previous meeting and stated that he welcomed the report and approach of the administration.

24.6 The Chair noted there was an amendment from the Green Group detailed in Addendum Two and invited Councillor Sykes to speak to his amendment.

24.7 Councillor Sykes highlighted that whilst he agreed with aspects of the papers he had concerns in a number of areas. It was his view that this approach would allow for privatisation of services in the organisation. He went on to add that there was little difference in the approach between the administration and the Conservative Group and stated his view that this would likely lead to a Council Tax freeze for the next financial year. He stated that the approach of his group would be bolder in terms of discussing the context of delivering cuts with the public. In relation to the amendment specifically he asked that as much information be available as possible to opposition groups in early December to allow early consultation to take place, and allow for discussions around other Council Tax options.

24.8 Councillor Mac Cafferty seconded the amendment and stated that the Green Group would prefer to go out to consultation with as much information as possible.

27.9 The Chair invited advice from the Monitoring Officer who explained that were the amendment carried then the £50K proposed for consultation would need to be identified from a specific budget. Councillor Sykes explained that this had not been identified, but would have to be considered further if the amendment was carried.

27.10 Councillors Meadows referenced the discussion earlier in the meeting in relation to bus services in her Ward and felt the proposed funding in the amendment could be better used to protect such bus services.
27.11 Councillor Hamilton noted his disappointment with the Green Group for bringing forward the amendment without discussing it with other groups at the Budget Review Group. He noted that whilst the amendment asked for details to be forthcoming in December this would be before the Central Government Statement which was expected in January. He felt the amendment was a means to achieve a Council Tax referendum by another route, and stated that it was very unlikely the administration would pursue this option. It was also noted that the report would be referred to the Neighbourhoods, Communities & Equalities Committee to allow further consideration of the consultation process.

27.12 Councillor A. Norman noted there was always annual budget consultation and she felt that this would cover the proposals in the amendment.

27.13 Councillor Sykes noted that when in administration the Green Group had provided as much information as possible to the December meeting of the Committee to give a good picture of the initial proposals for the next financial year. The amendment would allow enough information to be gathered to see if it was appropriate to propose a Council Tax increase that would trigger a referendum.

27.14 The Chair put the amendment from the Green Group to the vote. This was lost.

27.15 The Chair then put the recommendation as listed in the report to the vote. Councillors Mac Cafferty and Sykes asked that their abstentions be recorded.

27.16 RESOLVED – That the Committee

1) Note the resource and expenditure projections for 2016/17 and the Medium Term Financial Strategy (MTFS) projections set out in the bidy of the report and appendices 1 to 3.

2) Note the revised budget gap of £25M to be used for 2016/17 budget setting purposes as detailed at paragraph 3.45.

3) Instruct the Executive Leadership Team (ELT) to develop 4-year service & Financial Plans for 2016/147 to 2019/20 in the context of Corporate Plan principles and priorities, for consideration by Policy & Resources Committee, comprising:

   • Detailed budget proposals for 2016/17;
   • Projected medium term proposals for 2017/18 to 2019/20;
   • Proposals to be based on two Council Tax options as follows:

      i) A 1.99% increase in the Brighton & Hove element of the Council Tax, and
      ii) No increase in the Brighton & Hove element of the Council Tax.

4) Refer the approach to Community Engagement & Consultation as set out in the section 5 of this report to the Neighbourhoods, Communities & Equalities Committee for further consideration.
5) Agree the proposed approach to reviewing the Council Tax Reduction Scheme as set out in paragraphs 3.28 and 3.29

6) Note the resource projections for the Capital Investment Programme as shown in appendix 3.

25 WAIVER REPORT


25.2 In response to Councillor Sykes it was clarified that there was standardised process to be followed in relation to waivers; the Head of Law added that the new Procurement Board would be able to look at value for money in contracts.

25.3 The chair put the recommendations to the vote:

25.4 RESOLVED - That the Committee notes the number and value of waivers authorised under Contract Standing Orders 18.2, 18.3 and 18.4 during the financial year 2014/2015.

26 PROGRESS REPORT ON THE WORKFORCE EQUALITIES ACTION PLAN

26.1 RESOLVED:

1) That the Committee note the progress made against the Year 2 Action Plan, as summarised in paragraph 3.6 and set out in more detail in Appendix 1.

2) That the Committee approve the Year 3 Workforce Equalities Action Plan set out in Appendix 2.

3) That the Committee supports the continuation of the Workforce Equalities Action Plan for a further period of four years in line with the life of the council’s current Corporate Plan.

27 REFUSE, RECYCLING & STREET CLEANSING SERVICE REVIEW AND PRIORITIES

27.1 The Committee considered a report of the Executive Director for Environment, Development & Housing in relation to Cityclean Service Plan and Priorities. The report set out the main findings of the service review; the priorities in the delivery plan for the service over the coming years.

27.2 Councillor Mitchell thanked Officers for the report and stated that the administration had brought the strategy paper forward to address the impact of funding reductions to the service; low customers satisfaction rate; low recycling rates and problems with fly-tipping. The report also set out the earlier steps towards greater income generation streams in the service; a cost neutral garden waste collection and other new initiatives.
27.3 Councillor Janio welcomed the report; he highlighted the good management within the service and the need to look at new ways of doing things. He went on to query whether the council should bid to provide services, such as commercial waste collection, that were already provided by the private sector.

27.4 Councillor Sykes welcomed the report and noted his support for the content; however, he emphasised that much of this work had started under the previous Green administration and highlighted there should be some recognition of the work that had already taken place.

27.5 In response to queries raised by Councillor Wealls the Executive Director and the Head of City Clean & Parks explained that the council intended to work towards intelligent equipment that could monitor capacity and provide greater service efficiency. It was already known from surveying work and spot checking that many businesses were using the large on-street residential bins; with this in mind the Council was already collecting a proportion of the commercial waste in the city. In terms of making the service a workers mutual this model had not been ruled out by the management team, but it was highlighted there was low support for this option from the staff body. Whilst there remained a risk of industrial action from the service; the Council continued to work closely with the trade unions. In relation to advertising on bins it was noted that whilst this could be controversial it had not been ruled out as an option. Work in relation to enforcement through the use of CCTV could be discussed with the Lead Member and potentially be brought to the Environment, Transport & Sustainability Committee for decision.

27.6 Councillor A. Norman noted her support for roundabout sponsorship and made particular example of the roundabout in Patcham at the end of the A27.

27.7 Councillor G. Theobald noted his support for the report, but stressed that the service needed significant modernisation and improvements to communication between the contact centre and the collection crews. In response to queries from Councillor G. Theobald the Head of Service clarified that close with HR was being undertaken to improve absence levels, and where speeding tickets were issued to fleet drivers; the fine and the licence points were the responsibility of the driver.

27.8 The Chair put the recommendations to the vote:

27.9 **RESOLVED:**

1) That the Committee note the priorities and actions set out in the Service Plan for 2015/16 at Appendix 1.

2) That the Committee agrees the establishment of a commercial waste collection service within the parameters set out in the report and authorises the Executive Director of Finance and Resources and the Executive Director of Environment, Development & Housing to implement the operational arrangements.

3) That the Committee agrees in principle to the procurement of a contract to support Cityclean in the provision of waste and littering enforcement activity. A
detailed business plan and procurement strategy will be presented to Environment Transport and Sustainability Committee for approval.

4) That the Committee approves the development of a more detailed 5 year Waste, Street Cleansing and Recycling Service Plan incorporating the key actions in this report and revising long term targets and objectives set out in the existing Waste Management Strategy. The plan, which will be subject to public consultation, will be available for adoption by March 2016.

28 MANAGING ANTI SOCIAL BEHAVIOUR IN CITY PARKS AND ON THE SEAFRONT

28.1 The Committee considered a report of the Director of Public Health in relation to Managing Anti-Social Behaviour in City Parks and on the Seafront. The report outlined a new option for managing anti-social behaviour in city parks and open spaces using a Public Spaces Protection Order (PSPO); the report considering using this new power in addition to existing legislation where injunctions under the Criminal Justice and Public Order Act 1994 were already used.

28.2 Councillor Mitchell thanked Officers for the report, and explained that the administration had requested this report be brought forward at the earliest opportunity; as well as requesting a policy review. The new legislation would need to be used carefully and proportionately, and she hoped colleagues from other parties could support the report.

28.3 Councillor Mac Cafferty welcomed the comments that the powers would need to be used proportionately; he expressed caution at using the legislation to address issues in large areas of the city and queried how residents and communities would be consulted and involved. In response Officers clarified that the use would be targeted, but it was currently difficult to draw any firm conclusions at this stage. In relation to consultation it was also clarified that there would be close work with the Housing Department and consultation with those affected.

28.4 In response to queries from Councillor Janio the Head of Law clarified that the Act required the Council to be reasonable. The use of the new powers needed to be cautious and evidence based to avoid the risk of Judicial Review. Councillor Janio noted there was an argument for the Council to be bold and challenging in using these new powers and accept judicial review and the opportunity to create case law.

28.5 Both Councillors Wealls and G. Theobald noted their support for the report and gave example of specific problem sites in the city. They hoped this work would progress and Members could feed into it as it emerged.

28.6 Councillor A. Norman commended the report and asked if the work could include those living in vehicles parked on city road as she highlighted hygiene and health and safety issues. Officers clarified that there was work being progressed to review the legal issues around van-dwellers. It was also noted that in relation to many of these issues there were already other measures in place to address this.

28.7 The Chair then put the recommendations to the vote.
28.8 RESOLVED:

1) That the committee designates the interim Head of the Community Safety, under the direction of the Director of Public Health to investigate the potential for the use of a Public Spaces Protection Order, including consultation with relevant partners and communities.

2) That following this investigation and consultation, Policy and Resources Committee is asked to consider the findings and agree on the implementation or otherwise of a Public Spaces Protection Order in certain areas of the city.

29 SUPPORT FUNCTIONS REVIEW

29.1 The Committee considered a report of the Interim Executive Director for Finance & Resources in relation to Support Functions Review. The report updated the Committee on the progress of the review, including plans to review the management layers and structures within support services. It also provided an update on discussions for the consideration of the Council becoming a founding member of Orbis.

29.2 It was clarified for Councillor Sykes that that closer working with other authorities in the Greater Brighton area remained an option; the focus on Orbis had been at the request of the Committee in March.

29.3 The Chair confirmed for Councillor Janio that all service across the Council would be considered in terms of how they would be provided in future. The Chair also confirmed for Councillor Janio that all options would be considered, and highlighted continuity in the work across administrations.

29.4 The Chair then put the recommendations to the vote:

29.5 RESOLVED - That the Committee notes the progress on the Support Function Review, including the development of an Internal Trading Model option, the option to join Orbis as a founding partner and the “management spans of control” initiative.

30 SUPPORTED BUS NETWORK

30.1 The Committee considered a report of the Executive Director for Environment, Development & Housing in relation to Permission to Commence Review and Tender Process for Supported Bus Network. The purpose of the report was to seek approval, following the Areas Network Review, to go out to competitive tender for the supported bus network contacts which would commence in September 2016, if necessary.

30.2 Councillor Mitchell highlighted that there were ongoing discussions and routes were under review, and would help to ensure that all routes were served to fullest degree possible. There were also new initiatives from bus companies themselves such as multi operator ticketing; it was hoped such initiatives would help to alleviate concerns raised by residents. Councillor Mitchell also noted her full recognition of the matters raised by the deputation on the agenda and provided assurance that this information would be fed into the area review.
30.3 In response to Councillor Sykes it was clarified that an in-house service was an option in the report; however, it remained high cost, legally complex and was an unlikely option for the authority to take forward.

30.4 In response to Councillor Wealls it was clarified that the normal award of contract was for four years with flexibility to extent. In regards to school bus services, the final report would be cross-directorate and consider school services.

30.5 It was confirmed for Councillor G. Theobald that where a service served a school under East Sussex County Council administration a proportionate contribution would be made.

30.6 The Chair put the recommendations to the vote:

30.7 RESOLVED:

1) That the Committee authorises the Area Network Review to begin followed by the competitive tendering process if required.

2) That a further report be brought to a future Policy & Resources Committee Meeting for consideration which will identify recommendations for the future Supported Local Bus Network, subject to available funding.

31 INTERREG VA – CITY COUNCIL FUNDING BIDS

31.1 The Committee considered a report of the Executive Director for Environment, Development & Housing in relation to Interreg Va City Council Funding Bids. The report sought authority to submit three full applications to Interreg Va 2 seas Programme, and proposes a streamlined process for future Interreg bid submissions.

31.2 Councillor Sykes commended the work of the International Team, and noted his personal interest in the flood prevention work at Portslade.

31.3 Councillor G. Theobald stressed that projects should be picked with careful consideration as the funding streams became squeezed.

31.4 The Chair then put the recommendations to the vote.

31.5 RESOLVED:

1) That the Committee grants approval for the Council to be a partner in three Interreg Va final funding bids as outlined in appendices 2, 3 and 4, and authorises the Head of Legal & Democratic Services to enter into all associated documentation in respect of the bids.

2) That the Committee authorises the Director of Finance & Resources, following consultation with the relevant Director and the Chair of the relevant Committee for each bid, to submit future bids to the Interreg programmes and authorises the Head of Legal & Democratic Services to enter into all associated documentation in respect of the bids.
32 NEW HOMES FOR NEIGHBOURHOODS - FINAL SCHEME APPROVAL - FINDON ROAD AND GARAGE SITES UPDATE

32.1 The Committee considered a report of the Executive Director for Environment, Development & Housing in relation to New Homes for Neighbourhoods – Final Scheme Approval – Findon Road and garage sites update; the report had also been considered by the Housing & New Homes Committee on 17 June 2015. The report focused on development proposals for the site at Findon Road, Whitehawk (former library site) and updated the Committee on the progress of four sites being delivered by the Council’s development agent – the Guinness Partnership.

32.2 Councillor Meadows spoke to the report in her capacity as the Chair of the Housing & New Homes Committee and explained that the plot at Findon Road had twice been offered out on the open market with no interest. The costs of the scheme benchmarked well, and the new homes provided would be large and fit for purpose – the scheme would also provide a new substation. The buildings would have solar panels on the grid to provide the Council with income which would be passed onto the tenants to reduce their costs for household bills. Councillor Meadows provided assurance that the Housing & New Homes Committee would monitor the scheme to ensure it came in on time.

32.3 The Chair noted that the Findon Road site was located in his Ward, and Councillor Mitchell’s, ward and had been empty for a number of years despite the need for new homes in the area. He commended the work of the Neighbourhood and Regeneration Team – in particular their success at involving residents.

32.4 Councillor G. Theobald noted there had been concerns raised at the Housing & New Homes Committee in relation to the costs per unit; whilst the Committee were asked to approve the land sale and the budget provision he asked for assurance that the cost per unit was reasonable. In response the Head of City Regeneration explained that there were some anomalies at the site in relation to ground works and changes in levels; there were also higher costs associated with the quality of the design that the scheme sought to achieve. With all this in mind the cost per unit compared favourable, and this was benchmarked by a quality surveyor whom provided assurance around value for money. All of this was reported to the project board which involved local Councillors.

32.5 In response to Councillor Wealls it was explained that the developer had already been procured early on, this would be Westridge who were also undertaking the renovation works to Hove Town Hall.

32.6 The Chair then put the recommendations to the vote, and Councillors: G. Theobald, Wealls, Janio and A. Norman asked that their vote of abstention be recorded.

32.7 RESOLVED – That the Committee

1) Approve that the land at Findon Road, former Whitehawk library site is appropriated to the HRA for a capital receipt of £940,000 for planning purposes and the development of new housing.
2) Approve a budget of £14.1 million for the Findon Road scheme in the HRA Capital Programme which will be financed through a mixture of unsupported borrowing and retained Right to Buy capital receipts.

3) That the site at the former Whitehawk Community Complex, Whitehawk Road, Brighton, BN2 5FP (referred to in this report as the former library site at Findon Road, Whitehawk) is appropriated for planning purposes and the development of new housing.

4) That the sites at 4-7, 10 and 15-20 Kensington Street, Brighton, BN4 1AJ is appropriated for planning purposes and the development of new housing.

33 REQUEST TO SELL PIECE OF HRA LAND AT CONNELL DRIVE

33.1 The Committee considered a report of the Executive Director for Environment, Development & Housing in relation to Request to Sell Piece of HRA Land at Connell Drive. The Housing & New Homes Committee agreed to recommend to the Policy & Resources Committee, on 17 June 2015, that the Council sell the freehold of the land to the applicant Geoffrey Wells; it was also noted that the applicant was a former Councillor; who had stood down on at the last local elections.

33.2 It was confirmed for Councillor Sykes that the sale price had included the uplifted value of the land.

33.3 The Chair then put the recommendations to the vote:

33.4 RESOLVED:

1) That Policy and Resources Committee agrees to sell the freehold of the subject land at Connell Drive, Woodingdean to the applicant, Geoffrey Wells, for the sum of £26,500.

2) That Policy and Resources Committee approves that the capital receipt is used to support the housing capital programme.

34 DISPOSAL OF LAND AT EASTBROOK FARM SITE

34.1 The Committee considered a report of the Executive Director for Environment, Development & Housing in relation to Disposal of Land at Eastbrook Farm Site. The report sought agreement for the freehold disposal of approximately 3.7 acres of land at Eastbrook Farm, Old Shoreham Road, Southwick, West Sussex. The disposal would realise an important capital receipt to support the Council’s future corporate Capital Investment Programme within the Medium Term Financial Strategy.

34.2 It was confirmed to Councillor Mac Cafferty that work had taken place with the tenants of the allotments at the site; all the allotments had been relocated and the those affected had been paid a small amount of compensation.

34.3 Councillor Hamilton noted he welcomed the report.
34.4 The Chair then put the recommendations to the vote:

34.5 **RESOLVED:**

1) That Committee authorises the disposal of 3.7 Acres on a freehold basis due to the level of interest from a special purchaser who requires a freehold purchase and noting the highly constrained nature of the site.

2) The detailed terms to be agreed by the Executive Director of Finance & Resources, Assistant Director Property & Design and Head of Law.

35 **LAND AT WEST BLATCHINGTON PRIMARY SCHOOL, HOVE: PROPOSED LEASE TO THE EDUCATION FUNDING AGENCY FOR THE PURPOSE OF A PERMANENT SITE FOR KING'S SCHOOL**

35.1 The Committee considered a report of the Executive Director for Children’s Services in relation to Land at West Blatchington Primary School, Hove: proposed lease to the Education Funding Agency for the purpose of a permanent site for King's School. The report sought the permission of the Committee to enter into discussions with the Education Funding Agency, the Board of King’s School, its promoter the Russell Education Trust and the governing body of West Blatchington Primary School about a proposal to develop the primary school site as a permanent site for King's School, with a replacement building for West Blatchington School on the same site. Should these discussions be successful the Council would enter into a 125 lease with Education Funding Agency at a peppercorn rent.

35.2 Councillor Bewick addressed the Committee at the permission of the Chair and highlighted that we was speaking in his capacity as the Chair of the Children, Young People and Skills Committee. He explained there was a cross-party group looking at school organisation in the city, and a review due to take place to consider the secondary school catchment areas. The implications of the relocation would be considered alongside the catchment area review.

35.3 Councillor Janio noted his support of the report, and asked that Ward Councillors be kept informed throughout the process.

35.4 Councillor Wealls noted that the move was welcomed by both parents and governors; he noted there were some concerned parent, but issues around transport and distance still had to be worked through.

35.5 The Chair then put the recommendation to the vote.

35.6 **RESOLVED:**

1) That the Committee approves the continuation of discussions with the Education Funding Agency (EFA), the Board of King’s School and its promoter the Russell Education Trust (RET) and the governing body of West Blatchington Primary School about a proposal to develop the primary school site as a permanent site
for King’s School, with a replacement building for West Blatchington Primary School on the same site.

2) That the Committee confirms in principle that should these discussions be successful and subject to all necessary consents being obtained, the Council would be willing to enter into a 125 year lease for that part of the site occupied by King’s School (either wholly or in shared use with West Blatchington Primary School) with the EFA at a peppercorn rent.

3) That the Committee agrees that the matter of the 125 year lease will be referred back to Policy and Resources Committee prior to the lease being signed.

36 REVIEW OF APPOINTMENTS TO COUNCIL BODIES, PARTNERSHIPS AND OUTSIDE BODIES

36.1 The Committee considered a report of the Head of Legal & Democratic Services in relation to Review of Appointments to Council Bodies, Partnerships and Outside Bodies. The report reviewed the existing bodies where Member appointments were in place and proposes the re-appointment of Members where there was either a requirement or it was considered desirable for other reasons.

36.2 Both Councillors Janio and Wealls withdrew their names for nomination to Brighton & Hove Estates Conservation Trust and the East Sussex Pension Board respectively to allow the other named nominee to be appointed.

36.3 The Chair noted that whilst the Council was no longer formally appointing to some bodies this would not prevent Members remaining involved.

36.4 The Chair then put the recommendations to the vote:

36.5 RESOLVED - That the Committee nominates and approves the appointment of members to the bodies set out at in the amended Appendix One.

37 2014-15 PERFORMANCE UPDATE REPORT


37.2 In response to concerns raised about policing levels by Councillor Sykes the Chair noted that these types of issues could be considered by the new Neighbourhoods, Communities & Equalities Committee. The Director of Public Health also noted that there had been changes to the recording of crime.

37.3 The Chair then put the recommendations to the vote:

37.8 RESOLVED:

(1) To note areas of highlighted performance in section 4.6 and 4.7 and endorse the improvement actions detailed in Appendix 1
(2) To note progress update in relation to the Key Areas of Focus in Appendix 2

(3) To support and provide challenge to lead officers across the council to continually improve performance and tackle issues of concern highlighted in the report.

38 ITEMS REFERRED FOR COUNCIL

38.1 There were no items referred to Council.

39 APPROVAL TO ESTABLISH COMMERCIAL WASTE COLLECTIONS - EXEMPT CATEGORY 3

39.1 RESOLVED – That the recommendations in the Part Two report be agreed, and as much information as possible from the Part Two report be made public.

40 DISPOSAL OF LAND AT EASTBROOK FARM SITE - EXEMPT CATEGORY 3

40.1 RESOLVED – That the recommendations in the Part Two report be agreed.

41 PART TWO MINUTES - EXEMPT CATEGORIES 1 & 3

41.1 The Committee agreed the Part Two minutes of the meeting held 18 June 2015.

42 PART TWO PROCEEDINGS

42.1 The Committee discussed disclosure of Item 39, and agreed that a Part One version of the report would be produced for formal publication.

The meeting concluded at 7.29pm

Signed

Chair

Dated this day of
Dear Geoff

Council Transformation

We are submitting the following letter under Council Procedure Rule 23.3 to be included on the agenda for the Policy & Resources Committee meeting of 15th October 2015.

In our manifesto for the recent local elections we set out our proposals for reforming how the Council operates.

The Council’s most recent Audit Results Report from EY, presented to the Audit & Standards Committee in September, concludes that, in relation to Economy, Efficiency & Effectiveness: “As a result of its high costs relative to others, the difficulties experienced in fully delivering VFM savings targets in 2014/15 and the size of the budget gap faced over the next five years there is a recognition that the Council needs to change more radically.”

As the Conservative Group has been saying for a number of years, many other councils have been undergoing such radical change and are hence in a much better position than Brighton & Hove to deal with the changing financial climate in local government. Some examples of councils that have implemented reforms are:

- York City Council, whose libraries and archives changed from Council control into a not for profit Industrial and Provident Society – called ‘Explore’ - in 2013.
- Councils such as Brent and Greenwich who have outsourced the running and management of their Children’s Centres to external charities, schools and community groups.
- Lambeth and Cornwall councils who have been working with the New Economics Foundation to redesign their youth services around a ‘co-production’ model.
- Leeds City Council who set up a Community Benefit Society to run their Learning Disability Services. We believe that it is also worth revisiting the Local Authority Trading Company model for Adult Social Care provider services, a business case for which was brought to P&R in June 2014.
• Adur and Worthing Councils who are handing over the management of their parks, open spaces and sports pitches to community groups.
• Medway Council who have successfully integrated their youth service and youth offending teams.
• Northamptonshire County Council whose shared services partnership with Cambridgeshire County Council has already saved taxpayers across the two authorities millions of pounds by combining back office support services such as HR, IT, procurement and property management.
• Many councils such as Barnet and Trafford have fully market tested all their services and re-commissioned many as a result.

We ask that Policy & Resources Committee mandates senior officers in the Corporate Modernisation Delivery Board urgently to investigate the implementation of reforms such as those outlined above, including providing detailed timescales, and to report back to both the new Modernisation Member Oversight Group and Policy & Resources Committee prior to final Budget proposals being put forward in February 2016. We also ask that there is full and meaningful engagement with the Community and Voluntary Sector in the city to both challenge and support the reform of service delivery.

After years of incremental budgeting, or ‘salami-slicing’, years which could have been spent implementing reforms such as those above, it is essential that the Council now grasps the nettle and adopts the radical new approach recommended by EY.

Yours sincerely

Cllr. Geoffrey Theobald – Leader of the Conservative Group
Cllr. Dee Simson – Deputy Leader of the Conservative Group
Cllr. Andrew Wealls – Deputy Leader of the Conservative Group
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 a projected forecast risk as at Month 5 on the council’s revenue and capital budgets for the financial year 2015/16.

1.2 Month 2 (May) indicated a substantial forecast risk of £8.735m due to continuing and growing pressures across Adults and Children’s social care budgets together with increased homelessness costs. The forecast risk for month 5 (August) has improved to £7.203m but this remains a concerning position as the mid-point of the year approaches and the time for corrective measures to take effect is reducing.

1.3 The position has been kept under review on a monthly basis by the Cross-Party Budget Review Group and tougher financial and recruitment controls were introduced at the start of September as a further measure, alongside services’ recovery plans, to attempt to mitigate the position as far as possible.

2 RECOMMENDATIONS:

2.1 That the Committee note the forecast risk position for the General Fund, which indicates a budget pressure of £7.658m. This consists of £7.203m on council controlled budgets and £0.455m on the council's share of the NHS managed Section 75 services.

2.2 That the Committee note the forecast for the Housing Revenue Account (HRA), which is an underspend of £0.529m.

2.3 That the Committee note the forecast risk position for the Dedicated Schools Grant which is an underspend of £0.015m.

2.4 That the Committee note the forecast outturn position on the capital programme.

2.5 That the Committee approve the capital programme variations and reprofiles in Appendix 3 and new capital schemes in Appendix 4.
2.6 That the Committee approve the Virements from Housing Related Support Services as set out in paragraph 6.22.

2.7 That the Committee approve delegated authority to the Executive Director of Finance & Resources and the Head of Law to make a loan of £0.061m to the Brighton Open Market Community Interest Company (CIC) as set out in paragraphs 6.33 and 6.44 subject to satisfactory terms and a Recovery Plan being agreed.

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 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 ‘corporate critical’ 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 (Appendix 1)**

3.3 The table below shows the forecast outturn for Council controlled revenue budgets within the General Fund. More detailed explanation of the variances can be found in Appendix 1.
<table>
<thead>
<tr>
<th>Forecast Variance Month 2 £'000</th>
<th>Directorate</th>
<th>2015/16 Budget Month 5 £'000</th>
<th>Forecast Outturn Month 5 £'000</th>
<th>Forecast Variance Month 5 £'000</th>
<th>Forecast Variance Month 5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,780</td>
<td>Children's Services</td>
<td>55,323</td>
<td>58,586</td>
<td>3,263</td>
<td>5.9%</td>
</tr>
<tr>
<td>3,959</td>
<td>Adult Services</td>
<td>60,586</td>
<td>65,059</td>
<td>4,473</td>
<td>7.4%</td>
</tr>
<tr>
<td>1,005</td>
<td>Environment, Development &amp; Housing</td>
<td>37,020</td>
<td>37,756</td>
<td>736</td>
<td>2.0%</td>
</tr>
<tr>
<td>51</td>
<td>Assistant Chief Executive</td>
<td>15,675</td>
<td>15,572</td>
<td>(103)</td>
<td>-0.7%</td>
</tr>
<tr>
<td>0</td>
<td>Public Health (incl. Community Safety &amp; Public Protection)</td>
<td>5,114</td>
<td>5,069</td>
<td>(45)</td>
<td>-0.9%</td>
</tr>
<tr>
<td>(60)</td>
<td>Finance, Resources &amp; Law</td>
<td>30,305</td>
<td>29,694</td>
<td>(611)</td>
<td>-2.0%</td>
</tr>
<tr>
<td>8,735</td>
<td>Sub Total Corporate Budgets</td>
<td>204,023</td>
<td>211,736</td>
<td>7,713</td>
<td>3.8%</td>
</tr>
<tr>
<td>0</td>
<td></td>
<td>6,348</td>
<td>5,838</td>
<td>(510)</td>
<td>-8.0%</td>
</tr>
<tr>
<td>8,735</td>
<td>Total Council Controlled Budgets</td>
<td>210,371</td>
<td>217,574</td>
<td>7,203</td>
<td>3.4%</td>
</tr>
</tbody>
</table>

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. General Fund services are accounted for separately to the Housing Revenue Account (Council Housing). 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).

Corporate Critical Budgets

3.5 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.
Summary of the position at Month 5

The main pressures reported at month 5 continue to be across Children’s and Adults social care and homelessness (temporary accommodation) as follows:

3.6 **Children’s Services:** There continues to be increased pressure on the children’s social care system both within Brighton and Hove and nationally. This could be as a consequence of increased awareness of child abuse and child sexual exploitation following a number of high profile cases nationally. The age range with the largest increase is adolescents who can present quite problematic needs. The national increase in 2013/14 was 10.8% in referrals and a 12.1% increase in children subject to a child protection plan and it is believed this has continued to increase nationally this year. In Brighton and Hove there have been increases as a consequence of introducing improvements in the referral process following the start of the Multi Agency Safeguarding Hub (MASH). The most recent data shows that between March 2015 and June 2015 there was an increase in the number of assessed children from 673 to 976.

3.7 Overall, this is causing a cost pressure of £1.642m on social services staffing and £1.191m on placement budgets (as above). Together with risks of £0.650m on savings plans, and other underspends of £0.220m, this explains the forecast risk of £3.263m at Month 5.

3.8 **Adults Services:** The service is facing a significant financial challenge in 2015/16 in mitigating the pressures arising from the 2014/15 overspent position, and managing in-year demand alongside implementing the Care Act, developing integration plans through the Better Care programme and completing the Learning Disabilities Review.

3.9 The forecast TBM risk at month 5 of £4.929m has increased over Month 2 in the light of a detailed assessment of the pressures and savings plans that have been put in place. The forecast risk includes the following main elements that are described in more detail in Appendix 1:

<table>
<thead>
<tr>
<th>Forecast Variance Month 2</th>
<th>£'000</th>
<th>2015/16 Budget Month 5</th>
<th>Forecast Outturn Month 5</th>
<th>Forecast Variance Month 5</th>
<th>Forecast Variance Month 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Critical</td>
<td></td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
<td>%</td>
</tr>
<tr>
<td>Child Agency &amp; In House</td>
<td>1,850</td>
<td>20,454</td>
<td>21,895</td>
<td>1,441</td>
<td>7.0%</td>
</tr>
<tr>
<td>Community Care</td>
<td>2,408</td>
<td>39,490</td>
<td>42,238</td>
<td>2,748</td>
<td>7.0%</td>
</tr>
<tr>
<td>Sustainable Transport</td>
<td>(26)</td>
<td>(17,078)</td>
<td>(17,456)</td>
<td>(378)</td>
<td>-2.2%</td>
</tr>
<tr>
<td>Temporary Accommodation</td>
<td>397</td>
<td>1,041</td>
<td>1,663</td>
<td>622</td>
<td>59.8%</td>
</tr>
<tr>
<td>Housing Benefits</td>
<td>(160)</td>
<td>(637)</td>
<td>(837)</td>
<td>(200)</td>
<td>-31.4%</td>
</tr>
<tr>
<td>Total Council Controlled</td>
<td>4,469</td>
<td>43,270</td>
<td>47,503</td>
<td>4,233</td>
<td>9.8%</td>
</tr>
</tbody>
</table>
Approved budget savings of £7.100m at Month 5 are on track to be achieved but not without risk which increases as the year progresses. There is some delay in implementation as a result of difficulties in recruiting suitably experienced social work staff and ongoing discussions on appropriate funding streams;

In year spend has been reduced by £1.835m as a result of the action that has been taken to manage demand for and cost of community care placements, improved forecasting through data quality checks, and funding from health that has been agreed;

There are unachieved savings from previous years of £3.163m across assessment and provider services following a number of committee decisions after the budget was set which have either delayed or changed the original savings intention. Where possible, mitigating recovery plans have been developed, including the Learning Disability Review but at month 5 there is a significant risk of £2.637m of these savings (which is reflected in the forecast overspend);

The main area of forecast risk concerns service pressures identified at the beginning of the year of £3.942m relating to increased complexity of need, increased cost of transitions cases, pressures on the provider services budget and Deprivation of Liberty cases. At month 5 there is a significant risk against £2.637m of the plans against these pressures (as reflected in the forecast overspend);

One-off funding identified for the Care Act implementation of £1.200m has been applied to support the investment required to deliver the savings plans. There is a subsequent risk in 2016/17 if the savings as a result of the investment are not recurrent.

3.10 The funding of all packages is scrutinised and 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 growth. Through regional and other social care networks we have been looking at best practice in delivering cost effective services in order to influence future direction.

3.11 Where practicable, savings plans for 2016/17 are being brought forward to deliver a part year effect in the current financial year. This includes working towards the recalibration of the Resource Allocation System (RAS) by increasing the savings against personal budgets by an additional 3% for the remainder of the financial year, making better use of community assets alongside a more personalised approach, and opportunities for service redesign within provider services.

3.12 **Housing Services and Temporary Accommodation**: There is a £0.622m pressure mainly relating to the ongoing need to spot-purchase expensive bed and breakfast accommodation. This reflects growing homelessness and the difficulty of securing affordable private rented homes in the city to meet the council’s statutory housing obligations in a period of rapidly rising house and private rent prices. With the new framework in place, more cost effective leased properties are being procured but these are not keeping pace with demand. Therefore the need to spot purchase nightly temporary accommodation has not reduced as originally forecast. The review of properties with Adults and Children’s services clients has not resulted in any properties being released. Although 100 new leased properties have just been procured it will take some time...
months before these become available. Other landlords with fewer properties are also being approached with a view to expanding the leased property portfolio. Housing services (General Fund) also have a number of undeliverable savings (£0.158m) which has contributed to the Housing overspend position.

**Monitoring Savings**

3.13 The savings package approved by full Council to support the revenue budget position in 2015/16 was £21.089m (£24.852m in a full year). This is a very large savings package and follows 4 years of substantial packages totalling £77m. Achievement of savings programmes and actions in 2015/16 will need to be closely monitored to ensure satisfactory progress and avoid adding to financial pressures in future years through non-achievement.

3.14 Appendix 1 provides details of savings in each directorate and indicates for each saving what has been achieved, is anticipated to be achieved, or is at risk. Appendix 2 summarises the position across all directorates and presents the entire savings programme. The graph below provides a summary of the position as at month 5 which is an early indication. This shows that delivery of the savings programme for 2015/16 is substantially on track with only a small number of items at risk. Mitigation of these risks is included in the development of services’ financial recovery actions.

![Savings Monitoring 2015/16](image)

(Note: Achieved savings can include over-achievements)

**Housing Revenue Account Performance (Appendix 1)**

3.15 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 current forecast is an underspend of £0.529m and more details are provided in Appendix 1.
Dedicated Schools Grant Performance (Appendix 1)

3.16 The Dedicated Schools Grant (DSG) is a ring-fence 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 current forecast is an underspend of £0.015m and more details are provided in Appendix 1. 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 1)

3.17 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 Sussex Community NHS Trust (SCT) and include health and social care services for Adult Mental Health, Older People Mental Health, Substance Misuse, AIDS/HIV, Intermediate Care and Community Equipment.

3.18 These partnerships are 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 can result in financial implications for the council should a partnership be underspent or overspent at year-end and hence the performance of the partnerships is reported as a memorandum item under TBM throughout the year.

<table>
<thead>
<tr>
<th>Forecast Variance Month 2</th>
<th>2015/16 Forecast Budget Month 5</th>
<th>Forecast Outturn Month 5</th>
<th>Forecast Variance Month 5</th>
<th>Forecast Variance Month 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
<td>%</td>
</tr>
<tr>
<td>695</td>
<td>11,649</td>
<td>12,104</td>
<td>455</td>
<td>3.9%</td>
</tr>
</tbody>
</table>

NHS Trust managed S75 Services

Capital Programme Performance and Changes

3.19 The table below provides a summary of capital programme performance by Directorate and shows that there is an overall overspend of £0.997m forecast at this stage.
### Capital Budgets

<table>
<thead>
<tr>
<th></th>
<th>2015/16 Budget Month 5</th>
<th>Forecast Outturn Month 5</th>
<th>Variance Month 5</th>
<th>Variance Month 5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children’s Services</td>
<td>25,691</td>
<td>25,691</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Adult Services</td>
<td>568</td>
<td>568</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Environment,</td>
<td>40,456</td>
<td>41,028</td>
<td>572</td>
<td>1.4%</td>
</tr>
<tr>
<td>Development &amp;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing - General</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fund</td>
<td>(64)</td>
<td></td>
<td>444</td>
<td>0.9%</td>
</tr>
<tr>
<td>Assistant Chief</td>
<td>3,687</td>
<td>3,668</td>
<td>(19)</td>
<td>-0.5%</td>
</tr>
<tr>
<td>Executive</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Health</td>
<td>423</td>
<td>423</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Finance,</td>
<td>19,787</td>
<td>19,787</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Resources &amp; Law</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Services</td>
<td>25</td>
<td>25</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td></td>
<td><strong>636</strong></td>
<td><strong>137,697</strong></td>
<td><strong>997</strong></td>
<td><strong>0.7%</strong></td>
</tr>
</tbody>
</table>

3.20 Appendix 3 shows the changes to the budget and Appendix 4 provides details of new schemes for 2015/16 to be added to the capital programme which are included in the budget figures above. Policy & Resources 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 Budget Council.

<table>
<thead>
<tr>
<th>Capital Budget Summary</th>
<th>2015/16 Budget £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget Approved at Month 2</td>
<td>139,177</td>
</tr>
<tr>
<td>Reported at other Policy &amp; Resources committees since Month 2</td>
<td>1,000</td>
</tr>
<tr>
<td>New schemes to be approved in this report (see Appendix 4)</td>
<td>264</td>
</tr>
<tr>
<td>Variations (to be approved – see Appendix 3)</td>
<td>251</td>
</tr>
<tr>
<td>Reprofiles (to be approved - see Appendix 3)</td>
<td>(2,875)</td>
</tr>
<tr>
<td>Slippage (to be approved – see Appendix 3)</td>
<td>(120)</td>
</tr>
<tr>
<td><strong>Total Capital Budget</strong></td>
<td><strong>137,697</strong></td>
</tr>
</tbody>
</table>
Implications for the Medium Term Financial Strategy (MTFS)

3.21 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 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.

3.22 The council has set aside risk provisions to mitigate non-achievement of savings or other unexpected pressures should the need arise. Risk provisions currently held are shown in the Corporate Budgets section of Appendix 1. At this stage of the year no risk provisions are recommended to be deployed as mitigating actions and recovery plans need to be implemented before re-assessing the financial position and the level of forecast risk.

Capital Receipts Performance

3.23 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, ICT Fund and the Workstyles VFM projects. The planned profile of capital receipts for 2015/16, as at Month 5, is £9.770m against which there have been receipts of £1.275m in relation to the disposal of 2 Boundary Road, the appropriation of the Whitehawk Library site, a number of minor lease extensions at the Marina and the repayment of improvement grants.

3.24 The forecast for the ‘right to buy sales’ in 2015/16 (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 £0.480m to fund the corporate capital programme and net retained receipt of £2.387m available to re-invest in replacement homes. To date 34 homes have been sold in 2015/16.

Collection Fund Performance

3.25 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 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.

3.26 The outturn for 2014/15 showed an improved position on council tax which means there is a brought forward collection fund surplus in 2015/16 of £0.400m, of which the council’s share is £0.350m. The in-year monitoring for 2015/16 indicates a surplus of £1.1600m, of which the council’s share is £1.360m. This improved position is from a combination of lower than forecast Council Tax Reduction (CTR) discounts (£0.850m), lower student exemptions awards (£0.300m), higher than forecast property numbers (£0.500m), band increases (£0.250m) and higher than forecast discounts of £0.300m for Severely Mentally Impaired (SMI) and students.
3.27 The CTR discounts are lower than expected by £0.850m as claimant numbers for both pensioners and working age people are continuing to decrease; if this continues through the remainder of the year there could be a further reduced spend of £0.150m. Student exemptions remain lower than this time last year. A number of new Halls of Residence properties came onto the list and this could explain the lower level of student properties. However, overall, student numbers are expected to continue to rise and therefore we cannot assume this will be an ongoing situation.

3.28 The outturn for 2014/15 showed an improved position on business rates of £0.130m for the council. On the basis of the information available so far in this financial year the in year position is in line with expectations. However business rates remains a difficult area to predict with great certainty and the extent of the impact from the large number of appeals raised at year end will take time to fully assess.

4 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS:

4.1 The forecast outturn position on council controlled budgets is an overspend of £7.203m. In addition, the council’s share of the forecast overspend on NHS managed Section 75 services is £0.455m. Any overspend 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 2016/17.

5 COMMUNITY ENGAGEMENT AND 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 TBM reports are now regularly reported to the cross-party Budget Review Group along with recovery plan updates. The TBM reports for the intervening months between Policy & Resources Committee meetings had indicated a general improvement each month but the forecast risk remains substantial. The Executive Leadership Team (ELT) has therefore introduced tighter financial controls across the entire organisation as a further measure to mitigate the forecast risk, including:

- A vacancy/recruitment freeze with limited exceptions;
- Restrictions on the use of agency staffing;
- Limitations on all non-essential spending (e.g. stationery, travel, printing and supplies) with lower authorisation levels;
- Reviews of all new contracts including contract extensions;
- Strict controls on spending on consultancy or interims;
- Increased scrutiny of all social care placements and care packages.

Further action may be required, including member decisions where appropriate, to bring the position back into balance during 2015/16. A further report will be brought to an Urgency Policy & Resources Committee in November which will also
include a further review of reserves, details of available risk provisions, and any uncommitted carried forward funds,

6.2 As part of the Housing Related Support Commissioning Plan a number of services with a total budget of £7.291m have transferred from Environment Development & Housing to other directorates. Under Financial Regulations budgetary transfers over £0.250m require Policy & Resources Committee approval. The services concerned are:

- £0.200m for the Women at Risk on Domestic Violence contract transferring to Community Safety
- £6.545m for transfer of housing related support services to Adult Assessment
- £0.546m for Substance Misuse Contracts transferring to Public Health

Proposed Loan to Open Market Community Interest Company (CIC)

6.3 The council has been working closely for a number of years with Brighton Open Market CIC to build and establish the Open Market on London Road. As part of a community asset transfer initiative, the CIC was established by the project partners, including the market traders, the council, The Hyde Group and Ethical Property Company, to take ownership and manage the new market, which opened in June 2014. An important outcome of the project was contributing to the regeneration of London Road and the market now provides a new shopping destination and employment opportunities for local businesses and market traders.

6.4 When the market opened the CIC did not have sufficient cashflow to support start-up costs and the initial two year period of establishing the business and moving into profit. Ethical Property Company offered initial financial support by way of a deferred repayment loan to cover these early years. While there has been good take up of permanent market stalls, higher than predicted business rates and lower than expected take up of temporary stalls within the market square have combined to delay the market moving into profit and a further two to three year period is forecast to be required. As well as seeking a cash injection from the council, the CIC is proposing to implement a Recovery Plan to reduce running cost, increase income and strengthen governance, the details of which will be agreed with officers. Agreeing the Recovery Plan with the CIC and implementing sufficient measures to improve its trading position is considered achievable and represents a reasonably low level of risk. The terms of the agreement are expected to include a two year repayment deferral and interest to be charged at the Council’s average rate of borrowing which is currently 4.6%.

7 FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The financial implications are covered in the main body of the report.

Finance Officer Consulted: Jeff Coates Date: 24/09/2015
Legal Implications:

7.2 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.

As set out in the report, a loan agreement with the Open Market CIC will record the terms of the proposed repayments arrangements and the interest provisions in order to adequately protect the Council’s interests.

Lawyer Consulted: Elizabeth Culbert  
Date: 30/09/2015

Equalities Implications:

7.3 There are no direct equalities implications arising from this report.

Sustainability Implications:

7.4 There are no direct sustainability implications arising from this report.

Risk and Opportunity Management Implications:

7.5 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 Performance
2. Summary of 2015/16 Savings Progress
3. Capital Programme Performance
4. New Capital Schemes

Documents in Members’ Rooms:
None.

Background Documents
None.
### Children’s Services - Revenue Budget Summary

<table>
<thead>
<tr>
<th>Service</th>
<th>Budget Month 5</th>
<th>Forecast Outturn Month 5</th>
<th>Variance Month 5</th>
<th>Variance Month 5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director of Children’s Services</td>
<td>365</td>
<td>364</td>
<td>(1)</td>
<td>-0.3%</td>
</tr>
<tr>
<td>Education &amp; Inclusion</td>
<td>3,080</td>
<td>3,289</td>
<td>209</td>
<td>6.8%</td>
</tr>
<tr>
<td>Disability &amp; SEN</td>
<td>6,609</td>
<td>6,467</td>
<td>(142)</td>
<td>-2.1%</td>
</tr>
<tr>
<td>Children's Health, Safeguarding and Care</td>
<td>37,818</td>
<td>41,289</td>
<td>3,471</td>
<td>9.2%</td>
</tr>
<tr>
<td>(207) Stronger Families, Youth &amp; Communities</td>
<td>7,451</td>
<td>7,177</td>
<td>(274)</td>
<td>-3.7%</td>
</tr>
<tr>
<td>Total Revenue - Children</td>
<td>55,323</td>
<td>58,586</td>
<td>3,263</td>
<td>5.9%</td>
</tr>
</tbody>
</table>

### Monitoring of Achievement of 2015/16 Savings

<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£’000)</th>
<th>Achieved / Anticipated (£’000)</th>
<th>At Risk (£’000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education &amp; Inclusion</td>
<td>Reducing the number of children with special educational needs (SEN) requiring taxi transport though the promotion of independent travel training. Reviewing all aspects of assessed and provided services including vehicles</td>
<td>500</td>
<td>255</td>
<td>245</td>
<td>Officers are working with schools to identify children who would benefit from programmes of independent travel training and to make arrangements for these programmes. This would mean these children are no longer dependent upon taxi transport as well as achieving savings in transport costs.</td>
</tr>
<tr>
<td>Service</td>
<td>Description of Saving Opportunity</td>
<td>Planned Savings 2015/16 (£'000)</td>
<td>Achieved / Anticipated (£'000)</td>
<td>At Risk (£'000)</td>
<td>Progress / Mitigation</td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------</td>
<td>---------------------------------</td>
<td>-------------------------------</td>
<td>-----------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>Portslade Sports Centre</td>
<td>Removal of all council subsidy</td>
<td>116</td>
<td>116</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>School Improvement - Community Learning</td>
<td>Remove the remaining Council subsidy with the service becoming fully dependent upon grant funding (currently circa. 80%)</td>
<td>44</td>
<td>44</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Music &amp; Arts Study Support</td>
<td>Package of savings measures</td>
<td>57</td>
<td>57</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Other - Including Access to Education</td>
<td>Removal of management budget (£0.030m) and reduced cost of civic catering contract (£0.015m)</td>
<td>45</td>
<td>50</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Schools PFI project</td>
<td>Remove inflation allowance</td>
<td>50</td>
<td>50</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>SEN - Family Support - hearing impaired</td>
<td>Funding Switch - Dedicated Schools Grant</td>
<td>13</td>
<td>13</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>SEN and Disability (SEND)</strong></td>
<td></td>
<td><strong>825</strong></td>
<td><strong>585</strong></td>
<td><strong>245</strong></td>
<td></td>
</tr>
<tr>
<td>SEN Team</td>
<td>Reduction in costs across services</td>
<td>30</td>
<td>10</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>Special Educational Needs</td>
<td>Review of staffing</td>
<td>25</td>
<td>50</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Services for Children with Disabilities</td>
<td>Review of management and admin, social work team, Transitions processes, Key-working and other Disability Services</td>
<td>140</td>
<td>194</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Services for Children with Disabilities</td>
<td>Integrate and re-align services across education, health and care to reduce cost and the need for expensive out of city</td>
<td>239</td>
<td>193</td>
<td>46</td>
<td></td>
</tr>
<tr>
<td>Service</td>
<td>Description of Saving Opportunity</td>
<td>Planned Savings 2015/16 (£’000)</td>
<td>Achieved / Anticipated (£’000)</td>
<td>At Risk (£’000)</td>
<td>Progress / Mitigation</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>---------------------------------</td>
<td>---------------------------</td>
<td>----------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Disability Agency Placements</td>
<td>Part funding switch - Dedicated Schools Grant plus reduction in need of placements.</td>
<td>364</td>
<td>546</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Community CAMHS</td>
<td>Public Health now fund and commission the community CAMHS service.</td>
<td>80</td>
<td>80</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>878</td>
<td>1,073</td>
<td>66</td>
<td></td>
</tr>
<tr>
<td><strong>Children’s Health, Safeguarding &amp; Care</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fostering &amp; Adoption</td>
<td>Deletion of 0.57 FTE Practice Manager post, 0.79 FTE Social Workers. Remaining savings to come from the recommendations of the current fostering review</td>
<td>263</td>
<td>216</td>
<td>47</td>
<td>IMPOWER are working with us to improve our ratio of foster carers. The review has to be in line with findings and processes required to create the predicted savings which would require more social workers to supervise carers as required by guidance.</td>
</tr>
<tr>
<td>Social Work &amp; Legal</td>
<td>Reviewed service staffing against demand, budget and achieved savings</td>
<td>42</td>
<td>0</td>
<td>42</td>
<td></td>
</tr>
<tr>
<td>Contact service</td>
<td>Restructure of Contact service</td>
<td>200</td>
<td>200</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Youth Offending Services</td>
<td>Deletion of 2.00 FTE vacant Youth Justice Worker posts</td>
<td>60</td>
<td>150</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Service</td>
<td>Description of Saving Opportunity</td>
<td>Planned Savings 2015/16 (£'000)</td>
<td>Achieved / Anticipated (£'000)</td>
<td>At Risk (£'000)</td>
<td>Progress / Mitigation</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------</td>
<td>----------------------------------</td>
<td>-------------------------------</td>
<td>----------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Agency Placements</td>
<td>Reduction of 6.50 FTE looked after children agency placements through service design and prevention</td>
<td>250</td>
<td>0</td>
<td>250</td>
<td>The number of Looked After Children has increased. To address the spend on IFA’s (Independent Fostering Agencies) we have a payment by results programme in place to support fostering staff to increase our market share of foster carers with anticipated saving of £1.500m.</td>
</tr>
<tr>
<td>Family Support Services</td>
<td>Negotiate with Health to fund the Looked After Children (LAC) nurse</td>
<td>33</td>
<td>33</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Performance Analysts</td>
<td>Two Children’s Services’ analysts posts have been tied to the Public Health Intelligence team, directed and funded by Public Health.</td>
<td>80</td>
<td>80</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Stronger Families, Youth &amp; Communities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Play Service</td>
<td>Targeted service funded by HRA (£0.080m) and Investment of public health resources to support child development (£0.020m).</td>
<td>100</td>
<td>100</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Youth Service &amp; Advocacy</td>
<td>Deletion of vacant posts</td>
<td>177</td>
<td>177</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Early Years - Nurseries</td>
<td>Fee increase and removal of council subsidies.</td>
<td>66</td>
<td>66</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Service</td>
<td>Description of Saving Opportunity</td>
<td>Planned Savings 2015/16 (£’000)</td>
<td>Achieved / Anticipated (£’000)</td>
<td>At Risk (£’000)</td>
<td>Progress / Mitigation</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>---------------------------------------------------------------------------------------------------</td>
<td>----------------------------------</td>
<td>---------------------------------</td>
<td>-----------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>Early Years - Childcare</td>
<td>Reduction in support for out of school childcare and playwork qualification funding</td>
<td>102</td>
<td>112</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Children’s Centres</td>
<td>Funding Switch - Dedicated Schools Grant</td>
<td>207</td>
<td>207</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Early Intervention</td>
<td>Reduced contribution to Behaviour, Emotional and Social Difficulties (BESD) Partnership and LSCB workforce development.</td>
<td>55</td>
<td>59</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Stronger Families, Stronger Communities</td>
<td>Reduced funding to the Intensive Team for Families and reduced office costs in the parenting team (£0.015m)</td>
<td>152</td>
<td>152</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Teenage Pregnancy</td>
<td>Teenage Pregnancy services now included in broader Public Health sexual and reproductive health programme for young people.</td>
<td>55</td>
<td>55</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Early Help</td>
<td>Funding switch from Dedicated Schools Grant (£0.141m) and investment of public health resources to support child development and safeguarding (£0.280m).</td>
<td>421</td>
<td>421</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL CHILDREN'S SERVICES</strong></td>
<td></td>
<td><strong>1,335</strong></td>
<td><strong>1,349</strong></td>
<td><strong>0</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>3,966</strong></td>
<td><strong>3,686</strong></td>
<td><strong>650</strong></td>
<td></td>
</tr>
</tbody>
</table>
## Explanation of Other Key Variances

<table>
<thead>
<tr>
<th>Key Variances £'000</th>
<th>Service</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>(Note: FTE/WTE = Full/Whole Time Equivalent)</td>
<td></td>
</tr>
<tr>
<td><strong>SEN &amp; Disability</strong></td>
<td>40</td>
<td>Drove Road The occupancy levels have increased over the last 18 months. This has resulted in increased staffing requirements and pressure on other budget heads. The increased use of this service has resulted in a reduction in the need for more expensive agency placements.</td>
<td>All short break budgets including Tudor House are being looked at to bring the budget in on line.</td>
</tr>
<tr>
<td></td>
<td>77</td>
<td>Direct Payments Based on the current spending patterns over the last 14 months it is projected that there will be an overspend of £0.077m on Direct Payments.</td>
<td>All high cost packages are being reviewed to look to reduce budget and also exploring DSG opportunities re children and young people with Education Health and Care (EHC) plans. The Face 2 Face software system is being introduced to bring consistency and transparency and this will be an opportunity to consider efficiencies. Considering 10% reduction across all packages.</td>
</tr>
<tr>
<td><strong>Children's Health, Safeguarding &amp; Care</strong></td>
<td>414</td>
<td>Corporate Critical - Children’s Agency Placements The projected number of residential placements (34.46 FTE) is broken down as 30.98 FTE social care residential placements (children’s homes), 3.02 FTE schools placements and 0.46 FTE family assessment placements. The budget allowed for 24.10 FTE social care residential care placements, 4.60 FTE schools placements and 0.60 FTE family assessment placements. The average unit cost of these placements is higher than the budgeted level. Overall the number of placements are 5.16 FTE above the budgeted level, and this combined with the unit cost pressure described above result in an overspend of £1.170m. The numbers of children placed in independent foster agency</td>
<td>Children in Care numbers fell to its lowest point in December 2013 (444) and then started to rise to a peak of 494 in November 2014. There was a big drop in December 2014 which was due to a combination of an increase in Children in Care leavers that month and reduction in starters. The overall number has continued to fall to 462 at 31st August 2015. The agency placements budget is directly affected by:</td>
</tr>
</tbody>
</table>

*Note: FTE/WTE = Full/Whole Time Equivalent*
### Appendix 1 Revenue Budget Performance

<table>
<thead>
<tr>
<th>Key Variances £'000</th>
<th>Service</th>
<th>Description (Note: FTE/WTE = Full/Whole Time Equivalent)</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>(IFA) placements has fluctuated in recent years. During 2013/14 there were 165.76 FTE placements and this increased to 175.56 last year. The current projected number of placements in 2015/16 is 155.77 FTE, a reduction of 11.3%. The budget for IFA placements was based on the trend of the previous five years and was set at 177.80 FTE. The numbers being below the budget by 22.03 FTE results in the projected underspend of £0.812m. During 2015/16 it is estimated that there will be 1.99 FTE secure (welfare) placements and 0.55 FTE secure (justice) placements. The budget allowed for 1.00 FTE welfare and 1.00 FTE justice placements during the year. There are currently 2 children in a secure (welfare) placement and none in a secure (criminal) placement resulting in a projected overspend of £0.306m. The gross overspend in this service area is £0.721m of which £0.250m relates to unachieved savings, see table above.</td>
<td>1. the number of Children in Care 2. the number of foster carers with vacancies that we can utilise from our own placements 3. the range of placements provided in house e.g. can a child with more complex needs be managed by in house services? 4. the number of residential placements that children are accessing – these being very expensive 5. the numbers of young people who are in secure placements 6. ensuring that where possible interventions are ‘stepped down’ to a less expensive resource The mechanisms in place across these aspects are: 1. Membership of a preferred provider network with a very pro-active ‘Agency Placements Team’ who negotiate for the best deal – however due to national demand, providers are frequently in the ‘driving seat’. 2. The Assistant Director chairs a Care Planning Panel which monitors and approves all requests for ‘Looking After’ a child and for going into the court process to ensure that everything possible has been done to keep the child living</td>
</tr>
<tr>
<td>Key Variances £’000</td>
<td>Service</td>
<td>Description</td>
<td>Mitigation Strategy</td>
</tr>
<tr>
<td>---------------------</td>
<td>---------</td>
<td>-------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>530</td>
<td>Corporate Critical-In House Foster Payments</td>
<td>Until recently the numbers of children being placed in in-house fostering placements was declining, however over the past few months this trend has reversed. The budget was based on the trend over the previous 5 years and was set at 128 FTE placements, the current number of children with in-house carers is estimated at 141.59 for 2015/16. In addition the projected overspend of £0.530m includes a provision of £0.203m for an ongoing process has been established for the effective recruitment of ‘in house’ foster placements to meet a wide range of needs. To do this iMPOWER have been commissioned and work is underway to increase market share of placements at home. In addition the panel approves all placement costs. 3. Working with iMPOWER – consultants who have successfully raised the market share of foster carers in other local authorities. There is currently a 50% share and the aspiration is to gain 85% share across a range of placement types. 4. Reviewing for a second time this year all residential placements to ascertain if there is alternative provision which could lead to savings. The current review is chaired by the Director Children’s Services. 5. Establishing an adolescence service to target the higher risk and expensive cases and to pro-actively address their needs, therefore reducing the numbers requiring ‘looking after’ or stepping down the placement they require. A second business case is due to be put to Corporate Modernisation Delivery Board in the next month.</td>
<td></td>
</tr>
<tr>
<td>Key Variances £’000</td>
<td>Service</td>
<td>Description</td>
<td>Mitigation Strategy</td>
</tr>
<tr>
<td>---------------------</td>
<td>---------</td>
<td>-------------</td>
<td>---------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>increasing the allowance rate for Residence Orders (RO) and Special Guardianship Orders (SGO) in line with the Family and Friends rates.</td>
<td>placements from 50% to 75-80% at a saving of £1.500m. In order to continue to encourage RO and SGO applicants to offer homes to children there is a need to match the family and friends rate to make this financially viable for carers this is a cheaper option than foster care as well as a better outcome for the children matched to these carers</td>
</tr>
<tr>
<td>429</td>
<td>Corporate Critical 16+Services</td>
<td>The budget for 16+ services is split across 4 client types. Care Leavers, Ex-Asylum Seekers, Looked After Children and Preventive. Across these services the budget allows for 57.50 FTE young people and currently the projection is based on 66.37 FTE young people. The average unit cost of accommodation is also projected to be higher than allowed in the budget. The non-accommodation costs are also currently anticipated to overspend the budget by £0.227m resulting in an overall overspend of £0.429m.</td>
<td>Consultation on the service design is underway and implementation of the restructure is planned for 1st October 2015.</td>
</tr>
<tr>
<td>1,600</td>
<td>Social Work Teams</td>
<td>The total overspend of £1.642m across the social work teams is primarily the result of the ongoing use of agency staff and recruitment above the budgeted establishment level. £0.042m is shown above as part of the savings summary. This is a result of the increase in activity levels being experienced over the last 12 months and the inherent inflexibilities built into the current staff structures and management practices. The ‘model of practice’ restructure should address these issues and reduce the over-reliance on agency staff, however the high level of demand within the service will remain, requiring additional social work resources beyond the current budgeted level.</td>
<td></td>
</tr>
<tr>
<td>(80)</td>
<td>Legal Fees</td>
<td>Based on the spending patterns in the previous financial year it is anticipated that there will be an underspend of £0.135m on legal</td>
<td></td>
</tr>
<tr>
<td>Key Variances £'000</td>
<td>Service</td>
<td>Description</td>
<td>Mitigation Strategy</td>
</tr>
<tr>
<td>----------------------</td>
<td>---------</td>
<td>-------------</td>
<td>---------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>fees. The social work ‘model of practice’ re-structure (see above) should, in the longer term, have an impact on the level of court costs in the future and it has been agreed that funding would be re-invested from the legal fees budget, reducing the underspend to £0.080m.</td>
<td></td>
</tr>
<tr>
<td>(59) Adoption Services</td>
<td>Following a number of changes to adoption regulations and a re-basing of the inter-agency budget, it is anticipated that there will be an underspend of £0.059m in 2015/16. This is based on estimated income from other agencies which was considerably higher last year than in previous years.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>299 Section 17 Preventive</td>
<td>This overspend of £0.299m relates to the increased costs of the housing recharge for homeless families due to an rise in the number of families needing accommodation and an increase in expenditure charged to the No Recourse to Public Funds budget.</td>
<td>A new IT system has been purchased to work with the Home Office direct to ensure speed of decision making on these families. An employee has also been seconded to work closely with housing to minimise expenditure by both Directorates.</td>
<td></td>
</tr>
<tr>
<td>140 In-house foster carer recruitment</td>
<td>The contract with iMPOWER to conduct the review includes a fixed cost payable in 2015/16 of £0.140m. The payment by results element will not be paid until March 2017 and it is not anticipated that the savings from this review will accrue until 2016/17.</td>
<td>The initial payment is vital part of an estimated return of £1.500m.</td>
<td></td>
</tr>
<tr>
<td>Stronger Families, Youth &amp; Communities</td>
<td>Following the budget proposals to reduce the service provision, a number of vacant posts have been held and service redesign begun. The subsequent decision to defer the saving for one year will result in an underspend against this budget. The whole underspending in this area is £0.169m of which £0.010m is shown above as overachievement of savings.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Adult Services – Revenue Budget Summary

<table>
<thead>
<tr>
<th>Service</th>
<th>Forecast Variance Month 2 £'000</th>
<th>2015/16 Budget Month 5 £'000</th>
<th>Forecast Outturn Month 5 £'000</th>
<th>Forecast Variance Month 5 £'000</th>
<th>Forecast Variance Month 5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adults Assessment</td>
<td>3,897</td>
<td>47,480</td>
<td>50,937</td>
<td>3,457</td>
<td>7.3%</td>
</tr>
<tr>
<td>Adults Provider</td>
<td>62</td>
<td>12,288</td>
<td>13,635</td>
<td>1,347</td>
<td>11.0%</td>
</tr>
<tr>
<td>Commissioning &amp; Contracts</td>
<td>0</td>
<td>818</td>
<td>487</td>
<td>(331)</td>
<td>-40.5%</td>
</tr>
<tr>
<td>Total Revenue - Adult</td>
<td>3,959</td>
<td>60,586</td>
<td>65,059</td>
<td>4,473</td>
<td>7.4%</td>
</tr>
</tbody>
</table>

### Monitoring of Achievement of 2015/16 Savings

<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£'000)</th>
<th>Achieved / Anticipated (£'000)</th>
<th>At Risk (£'000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adults Assessment</td>
<td>Review all out of city and high cost placements, consider supported living, ensure appropriate funding streams and renegotiate provider rates.</td>
<td>1,094</td>
<td>341</td>
<td>753</td>
<td>45 clients have been identified through the LD review to move-on to support their needs in a different way. Review with the clients will start in late September 2015 on selected clients to bring forward savings from 2016/17 into this financial year.</td>
</tr>
</tbody>
</table>
## Appendix 1 Revenue Budget Performance

<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£’000)</th>
<th>Achieved / Anticipated (£’000)</th>
<th>At Risk (£’000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning Disabilities (LD) - Home Care, Day Care &amp; Direct Payments</td>
<td>Increased use of Direct Payments and review high cost placements &amp; third party spend</td>
<td>626</td>
<td>1020</td>
<td>(394)</td>
<td>Achieved to date is behind the profile of savings (£0.654m) but this is anticipated to overachieve by £0.394m by the 2015/16 outturn.</td>
</tr>
<tr>
<td>Older People - Residential/Nursing (includes Older People with Mental Health needs)</td>
<td>Task force to identify all appropriate funding sources. Review housing options and identify links to Better Care (especially for Older People Nursing) and potential sources of funding. Reduce waivers and scrutinise placement costs</td>
<td>1,000</td>
<td>1418</td>
<td>(418)</td>
<td>Achieved to date is behind the profile of savings (£0.909m) but this is anticipated to overachieve by £0.418m by the 2015/16 outturn.</td>
</tr>
<tr>
<td>Adults with Mental Health (MH) - Residential</td>
<td>Rigorous scrutiny of placements, identification of all appropriate funding sources and implementing the Resource Allocation System (RAS)</td>
<td>200</td>
<td>360</td>
<td>(160)</td>
<td>Achieved to date is behind the profiled savings (£0.231m) this month but this is anticipated to overachieve by £0.160m by the 2015/16 outturn.</td>
</tr>
<tr>
<td>ALL COMMUNITY CARE - Across all client groups. Fees for services provided by the Independent Sector</td>
<td>Limit inflationary increases</td>
<td>750</td>
<td>808</td>
<td>(58)</td>
<td>New rates came into effect from 1 April the overachievement is supporting the at risk amounts.</td>
</tr>
<tr>
<td>ICES (Integrated Community Equipment Services)</td>
<td>Savings of 30% on equipment</td>
<td>100</td>
<td>45</td>
<td>55</td>
<td>Equipment savings have yet to be identified and part of this target has been put at risk for 2015/16, other savings through vacancy control and reduction of non essential spend mitigates against the risk.</td>
</tr>
</tbody>
</table>
## Appendix 1 Revenue Budget Performance

<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£'000)</th>
<th>Achieved / Anticipated (£’000)</th>
<th>At Risk (£’000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning Disabilities</td>
<td>Enable more people to access volunteering, employment and training</td>
<td>45</td>
<td>0</td>
<td>45</td>
<td>Savings are dependent on the LD Delivery Plan and currently being developed.</td>
</tr>
<tr>
<td>Learning Disabilities</td>
<td>Realigning accommodation and supported living including respite to enable service users to live independent lives</td>
<td>162</td>
<td>0</td>
<td>162</td>
<td>Savings are dependent on the LD Delivery Plan and currently being developed.</td>
</tr>
<tr>
<td>Learning Disabilities</td>
<td>Personalised approach through reviews to avoid high cost packages</td>
<td>729</td>
<td>1000</td>
<td>(271)</td>
<td>Achieved to date is behind the profile of savings (£0.641m) but this is anticipated to overachieve by £0.271m by the 2015/16 outturn.</td>
</tr>
<tr>
<td>Assessment Services (including joint S75 arrangements) Assessment and Review staffing</td>
<td>Focus on statutory duties and undertaking Business Process Improvement (BPI) reviews</td>
<td>376</td>
<td>90</td>
<td>286</td>
<td>Savings expected as a result of the BPI review will only have a part year effect in 2015/16, this is mitigated by vacancy controls have been put at risk for 2015/16.</td>
</tr>
<tr>
<td>Adults Provider</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resource Centres Older People (Craven Vale, Knoll House, Ireland Lodge (MH), Wayfield Avenue (MH))</td>
<td>Review criteria for bed services and reduce numbers of beds funded through Social Care</td>
<td>1,000</td>
<td>1000</td>
<td>0</td>
<td>Alternative funding identified through the CCG</td>
</tr>
<tr>
<td>Able &amp; Willing Supported Business</td>
<td>Review business plan and reduce subsidy from September 2015</td>
<td>100</td>
<td>100</td>
<td>0</td>
<td>City clean contract from 1 September, updated business plan developed, vacancy management and non essential spend.</td>
</tr>
</tbody>
</table>

<p>| Total | 5,082 | 5,082 | 0 |</p>
<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£'000)</th>
<th>Achieved / Anticipated (£'000)</th>
<th>At Risk (£'000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Care. (6 services including Independence at Home)</td>
<td>Review staffing structure and criteria for services working with the community and independent sectors. Review funding with NHS</td>
<td>300</td>
<td>300</td>
<td>0</td>
<td>Part year effect of structure changes, vacancy management, and non essential spend controls.</td>
</tr>
<tr>
<td>Commissioning &amp; Contracts</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commissioning &amp; Contracts Staffing Budget</td>
<td>Review contract management and commissioning function and scope for joint arrangements</td>
<td>130</td>
<td>130</td>
<td>0</td>
<td>The Adults Commissioning Services restructure has been implemented and these savings have been achieved for 2015/16.</td>
</tr>
<tr>
<td>Older People’s Prevention</td>
<td>Investment of resources to develop a Public Health approach to prevention and health improvement services for older people provided through locality hubs.</td>
<td>530</td>
<td>530</td>
<td>0</td>
<td>Contracts now funded by Public Health</td>
</tr>
<tr>
<td>TOTAL ADULT SERVICES</td>
<td></td>
<td>660</td>
<td>660</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

Appendix 1 Revenue Budget Performance
## Explanation of Other Key Variances

<table>
<thead>
<tr>
<th>Key Variances £’000</th>
<th>Service Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adults Assessment</strong></td>
<td>1,882</td>
<td>The pressures of £1.882m are due to:- (1) Projected Ordinary Residence claims from other local authorities where formal notification has been received that clients costs will transfer to us (£0.419m), (2) Projected costs for clients in hospital who are due to leave and need a social care package (£0.700m), (3) Transitional costs which were only partly covered by service pressure funding received for 2015/16 (£0.318m), and (4) In year pressures on this service are coming from increase in care packages / change in service type (£0.530m: 8.41 WTE) and unachieved savings (£0.784m). These pressures are being offset by a net decrease in demand (£0.121m: 2.00 WTE), improved income (£0.210m), Continuing Care Funding (£0.151m) and other (£0.069m). In addition there have been assumptions made around health funding and a review of packages of care (£0.318m) in 2015/16 to mitigate some of the increases already seen in 2015/16. Actions have been put in place through the LD Review to meet the 2015/16 budget strategy savings targets and to manage emerging pressures. These include: • Increased scrutiny of all Learning Disability placements/care package requests has been put in place to assure value for money against eligible care needs across different types of placement. • Focus on high cost placements and identifying low dependency placements in in-house units for move on. • Targeted review activity on existing placements and care packages ensuring eligible needs are met in the most cost effective manner.</td>
</tr>
<tr>
<td>740</td>
<td>Corporate Critical Community Care Budget (Learning Disabilities)</td>
<td>The pressure of £0.866m is as a result of savings and funding transfers to offset pressures due to:- (1) Pressures brought forward from 2014/15 (£0.684m), (2) net full year effect of 2014/15 packages of care (£0.975m) against which funding from Brighton &amp; Hove CCG of £0.500m is anticipated to offset these pressures, and (3) In year pressures on this service are coming from increases in care packages / changes in service type (£1.421m: 28.62 WTE), transfers from in-house services (£0.527m: 23.81 WTE), other actions (£0.037m) and unachieved savings (£0.890m). Increased panel scrutiny of all complex or high cost placements and care package requests to assure value for money against eligible care needs. Where possible no placements will be made above the agreed local authority rates. The VfM Phase 4 programme includes a specific project focussing on high cost placements to reduce costs and to ensure all eligible people receive Continuing Health Care</td>
</tr>
<tr>
<td>53</td>
<td>Corporate Critical Community Care Budget (Physical &amp; Sensory Support - Under 65's)</td>
<td>The pressures of £0.530m are due to:- (1) Pressures brought forward from 2014/15 (£0.684m), (2) net full year effect of 2014/15 packages of care (£0.975m) against which funding from Brighton &amp; Hove CCG of £0.500m is anticipated to offset these pressures, and (3) In year pressures on this service are coming from increases in care packages / changes in service type (£1.421m: 28.62 WTE), transfers from in-house services (£0.527m: 23.81 WTE), other actions (£0.037m) and unachieved savings (£0.890m). Increased panel scrutiny of all complex or high cost placements and care package requests to assure value for money against eligible care needs. Where possible no placements will be made above the agreed local authority rates. The VfM Phase 4 programme includes a specific project focussing on high cost placements to reduce costs and to ensure all eligible people receive Continuing Health Care</td>
</tr>
<tr>
<td>Key Variances £’000</td>
<td>Service</td>
<td>Description (Note: FTE/WTE = Full/Whole Time Equivalent)</td>
</tr>
<tr>
<td>---------------------</td>
<td>---------</td>
<td>----------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>These pressure are being offset by net decrease in demand (£0.455m: 30.53 WTE), Net of self-funders (£0.935m), Continuing Care Funding (£0.157m) and Care Act Funding (£1.200m). In addition there have been assumptions made on reviews of packages of care (£0.421m) in 2015/16 to mitigate some of the increases already seen in 2015/16. (4) Savings of £0.430m have been achieved from 01st April 2015 and included in the forecast position.</td>
</tr>
</tbody>
</table>
| 126                 | Corporate Critical Community Care Budget (Physical & Sensory Support - Over 65's) | Actions have been put in place to meet the 2015/16 budget strategy savings targets there is limited scope to manage emerging pressures. Actions include: 
  - Increased scrutiny of complex or high cost care packages.
  - An independent Extra Care business case has been commissioned to establish demand/need projections to enable ASC commissioners to work with their housing partners to identify the types of provision that will most appropriately meet the objective of reducing residential care costs.
  - Taskforce in place to ensure that all appropriate funding sources are identified. Discussions are ongoing with the CCG on the level of funding to support the service risks (£0.150m has been assumed within the forecast). |
## Appendix 1 Revenue Budget Performance

<table>
<thead>
<tr>
<th>Key Variances £’000</th>
<th>Service</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>66</td>
<td>Hostel Accommodation</td>
<td>There are pressures being forecast on Glenwood Lodge, New Steine Mews and the Behaviour Support Services. The pressures relate to non-pay expenditure (£0.065m) and unachieved income of (£0.012m) which are being offset by underspends on direct employees (£0.011m)</td>
<td>Increased financial controls.</td>
</tr>
<tr>
<td>643</td>
<td>Support &amp; Intervention Teams</td>
<td>The pressures of £0.643m relates to Pressures on direct employee costs (£0.146m), Deprivation of Liberty Safeguards (£0.180m), non pay costs (£0.003m), income (£0.028m) and unachieved savings (£0.286m)</td>
<td>Workforce redesign, in response to the Care Act, targeted use of Care Act monies, to offset pressures on direct employee costs</td>
</tr>
</tbody>
</table>

### Adults Provider

| 1,347               | Adults Provider                 | Pressures have been identified of £1.347m due to unachieved savings from 2014/15 of £0.783m, full year effect and deferred savings from 2014/15 of £0.376m and service pressures identified during the budget setting process of £0.182m. In addition to the pressure identified above there are service pressures of £0.006m identified in 2015/16. | Actions have been put in place to meet the 2015/16 budget strategy savings targets and to meet unachieved savings from previous years through the LD strategy. Vacancy control measures have been tightened and recruitment to posts made only where this is required to ensure CQC compliance. The use of agency staff and care crew is closely scrutinised and signed off by senior managers. Options for service redesign to achieve a part year effect are being developed. There are ongoing discussions with Health to determine costs associated with health needs that should be funded by CCG. |

### Commissioning & Contracts

| (331)               | Commissioning & Contracts      | This service is projecting to underspend by £0.331m for 2015/16 due to underspends on direct employees of £0.056m and un-utilised carry forward budget of £0.275m following the implementation of the new financial controls. |                                                                                                                                               |
## Appendix 1 Revenue Budget Performance

### Environment, Development & Housing – Revenue Budget Summary

| Forecast Variance Month 2 £'000 | Service                        | 2015/16 Budget Month 5 £'000 | Forecast Outturn Month 5 £'000 | Forecast Variance Month 5 £'000 | Forecast Variance Month 5 % |  
|----------------------------------|--------------------------------|-----------------------------|-------------------------------|---------------------------------|----------------------------|                                 |
| 70                               | Transport                      | (5,456)                     | (5,739)                       | (283)                           | 5.2%                       |
| 150                              | City Clean & City Parks        | 29,122                      | 29,230                        | 108                             | 0.4%                       |
| 0                                | City Regeneration              | 1,283                       | 1,283                         | 0                               | 0.0%                       |
| 97                               | Planning & Building Control    | 1,617                       | 1,704                         | 87                              | 5.4%                       |
| 317                              | Total Non Housing Services     | 26,566                      | 26,478                        | (88)                            | -0.3%                      |
| 688                              | Housing                        | 10,454                      | 11,278                        | 824                             | 7.9%                       |
| 1,005                            | Total Revenue - Environment, Development & Housing | 37,020                      | 37,756                        | 736                             | 2.0%                       |

### Monitoring of Achievement of 2015/16 Savings

<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£'000)</th>
<th>Achieved / Anticipated (£'000)</th>
<th>At Risk (£'000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Transport</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Transport</td>
<td>Reduction of expenditure by early termination of two Supported Bus Contracts</td>
<td>36</td>
<td>36</td>
<td>0</td>
<td>Project plan in place for removal of Pay and Display machines due for completion at the end of September 2015.</td>
</tr>
<tr>
<td>Parking - On Street</td>
<td>1) Reduce need to maintain, replace and collect cash from Pay &amp; Display machines</td>
<td>225</td>
<td>225</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Parking - On Street</td>
<td>2) Additional permit and transient income</td>
<td>60</td>
<td>60</td>
<td>0</td>
<td>New parking zones now in place and anticipated to achieve the forecast position.</td>
</tr>
<tr>
<td>Service</td>
<td>Description of Saving Opportunity</td>
<td>Planned Savings 2015/16 (£’000)</td>
<td>Achieved / Anticipated (£’000)</td>
<td>At Risk (£’000)</td>
<td>Progress / Mitigation</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>---------------------------------------------------------------------------------------------------</td>
<td>----------------------------------</td>
<td>---------------------------------</td>
<td>-----------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Parking - On Street</td>
<td>3) Improved management of PCN debt</td>
<td>40</td>
<td>40</td>
<td>0</td>
<td>Review of debt management procedures currently under review and impact to be monitored as part of the budget monitoring process.</td>
</tr>
<tr>
<td>Parking - On Street</td>
<td>4) Enhanced investigation operations in partnership with East Sussex and Sussex Police</td>
<td>5</td>
<td>5</td>
<td>0</td>
<td>Project is currently in progress and expected to meet anticipated savings.</td>
</tr>
<tr>
<td>Parking - On Street</td>
<td>5) Review of Pay &amp; Display and Permit Tariffs</td>
<td>571</td>
<td>571</td>
<td>0</td>
<td>Delays to implementation of one month have not resulted in a budget overspend.</td>
</tr>
<tr>
<td>Parking - Off-street</td>
<td>Review of Car Park tariffs including The Lanes &amp; Trafalgar St.</td>
<td>192</td>
<td>192</td>
<td>0</td>
<td>Delays to implementation of one month have not resulted in a budget overspend.</td>
</tr>
<tr>
<td>Public Health Transport Programme</td>
<td>Investment of Public Health resources to reduce accidents and promote sustainable transport.</td>
<td>85</td>
<td>50</td>
<td>35</td>
<td>Investment limited to £0.050m.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,214</td>
<td>1,179</td>
<td>35</td>
<td></td>
</tr>
<tr>
<td>City Clean and Parks</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Across City Clean &amp; Parks</td>
<td>Efficiencies in supplies and services</td>
<td>175</td>
<td>175</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Across City Clean &amp; Parks</td>
<td>Efficiencies made by not applying inflationary increase to supplies &amp; services budgets</td>
<td>50</td>
<td>50</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Service</td>
<td>Description of Saving Opportunity</td>
<td>Planned Savings 2015/16 (£'000)</td>
<td>Achieved / Anticipated (£'000)</td>
<td>At Risk (£'000)</td>
<td>Progress / Mitigation</td>
</tr>
<tr>
<td>------------------------------</td>
<td>----------------------------------------------------------------------------------------------------</td>
<td>---------------------------------</td>
<td>-------------------------------</td>
<td>----------------</td>
<td>---------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Across City Clean &amp; Parks</td>
<td>Comprehensive service redesign across City Clean and Parks. The proposal includes a reduction in gardening provision of approximately 8%</td>
<td>300</td>
<td>300</td>
<td>0</td>
<td>Implementation of the service redesign is now complete, which includes the purchase of four new mechanical sweepers and establishment changes implemented from September 2015.</td>
</tr>
<tr>
<td>Recycling</td>
<td>Reduction in professional fees budget</td>
<td>24</td>
<td>24</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Parks &amp; Open Spaces</td>
<td>Reduced contribution to core costs of Biosphere project</td>
<td>20</td>
<td>20</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Fleet Section</td>
<td>A business plan is being developed to offer servicing, maintenance and MOTs to other council departments and on a commercial basis</td>
<td>50</td>
<td>0</td>
<td>50</td>
<td>This saving is dependant on completion of refurbishment works at Hollingdean Depot which are not due for completion until April 2016. This has been offset in the current financial year from underspends identified within the TBM forecast.</td>
</tr>
<tr>
<td>Public Conveniences</td>
<td>Reduce opening times of some sites, reduce cleansing frequency and close sites which are in close proximity to alternative locations</td>
<td>40</td>
<td>40</td>
<td>0</td>
<td>Closure of The Lanes public convenience from June and further closures anticipated to meet the full year effect of the saving.</td>
</tr>
<tr>
<td>City Regeneration</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Economic Development Team</td>
<td>Service redesign</td>
<td>35</td>
<td>35</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Sustainability Team</td>
<td>Integration of the Sustainability Team with the International Team</td>
<td>53</td>
<td>53</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

<p>|                       |                                                     | 659                             | 609                           | 50             |                                                                                       |
|                       |                                                     | 88                              | 88                            | 0              |                                                                                       |</p>
<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£'000)</th>
<th>Achieved / Anticipated (£'000)</th>
<th>At Risk (£'000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning &amp; Building Control</td>
<td>New business model aimed at achieving a break-even position; this includes a reduction in staff costs</td>
<td>20</td>
<td>20</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Development Management</td>
<td>Implementation of pre-application charges to secure £100k fee income and a reduction in staff costs through a Business Process Review of the service</td>
<td>145</td>
<td>62</td>
<td>83</td>
<td>Implementation of charges is subject to a future Committee report and is expected to commence in October 2015. The service will continue to monitor income budgets on a regular basis.</td>
</tr>
<tr>
<td>Planning Policy &amp; Strategy</td>
<td>A reduction in staffing costs and a re-alignment of team reporting lines</td>
<td>45</td>
<td>45</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Planning Projects</td>
<td>A reduction in staffing costs</td>
<td>20</td>
<td>20</td>
<td>0</td>
<td>Implementation of charges is subject to a future Committee report and are expected to commence in October 2015.</td>
</tr>
<tr>
<td>Development Management</td>
<td>Introduction of Planning Performance Agreements (PPAs)</td>
<td>22</td>
<td>16</td>
<td>6</td>
<td>Implementation of charges is subject to a future Committee report and are expected to commence in October 2015.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>252</td>
<td>163</td>
<td>89</td>
<td></td>
</tr>
<tr>
<td>Housing General Fund</td>
<td>Deletion of posts</td>
<td>100</td>
<td>100</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

Appendix 1 Revenue Budget Performance
<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£'000)</th>
<th>Achieved / Anticipated (£'000)</th>
<th>At Risk (£'000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homemove</td>
<td>Charge Registered Providers for running cost of the Joint Housing Register and shortlisting</td>
<td>140</td>
<td>20</td>
<td>120</td>
<td>Recent discussions with Registered Providers suggest that the original savings figure was too optimistic and so there is currently a shortfall. Other savings are currently being sought to address this.</td>
</tr>
<tr>
<td>Housing Adaptations Team</td>
<td>HRA funded (£0.016m Occupational Therapy resource). Deletion of Senior Occupational Therapist post (0.78 FTE, £0.034m)</td>
<td>50</td>
<td>50</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Housing Options/Statutory Homelessness</td>
<td>Removal of post that delivers housing advice to inmates of Lewes Prison immediately pre-release and reduction in housing options officer post</td>
<td>59</td>
<td>41</td>
<td>18</td>
<td>0.50 FTE of the Preventing Offender Accommodation Loss (POAL) post will no longer be deleted. The savings will be found from elsewhere within the Housing Service.</td>
</tr>
<tr>
<td>Housing Strategy &amp; Development Team</td>
<td>Increase in fees for Locata (£0.011m) and restructure of service (£0.040m)</td>
<td>51</td>
<td>51</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>
## Appendix 1 Revenue Budget Performance

<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£'000)</th>
<th>Achieved / Anticipated (£'000)</th>
<th>At Risk (£'000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temporary Accommodation</td>
<td>Framework Agreements to reduce the use of high cost emergency accommodation (£0.100m). Amalgamation of income and credit control team (£0.020m). Realignment of staff time on specific projects (£0.050m). Reduced contributions to reserve fund (£0.040m).</td>
<td>210</td>
<td>190</td>
<td>20</td>
<td>The new framework agreements are reducing costs by using less expensive spot purchase bed and breakfast, however service pressures still exist for this budget area (as shown in the forecast) due to the current high levels of spot purchase which are gradually reducing. The amalgamation of the credit control team is no longer a viable option and so this saving of £0.020m is currently at risk. Other savings are currently being sought to reduce expenditure further to meet this saving.</td>
</tr>
<tr>
<td>Temporary Accommodation</td>
<td>Increased income of £0.030m from Seaside Homes management fee.</td>
<td>30</td>
<td>30</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Travellers</td>
<td>Reduction in use of day time security guards at Horsdean enabled by use of Site and Support Officers during office hours.</td>
<td>30</td>
<td>30</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Housing Related (‘Supporting People’)</td>
<td>Explore new service delivery models and further income growth.</td>
<td>959</td>
<td>959</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Housing Strategy Overall</td>
<td>Reduction in Personal Assistant support.</td>
<td>26</td>
<td>26</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Private Sector Housing Team</td>
<td>Deletion of two posts in the Sustainability Team.</td>
<td>74</td>
<td>75</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>
### Appendix 1 Revenue Budget Performance

<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£’000)</th>
<th>Achieved / Anticipated (£’000)</th>
<th>At Risk (£’000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public health Housing Support</td>
<td>Public Health are supporting the ongoing funding of the Housing Support Service supporting vulnerable people in emergency accommodation, preventing homelessness, linking with health services and improving health outcomes.</td>
<td>50</td>
<td>50</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>TOTAL ENVIRONMENT, DEVELOPMENT &amp; HOUSING</td>
<td></td>
<td>1,779</td>
<td>1,622</td>
<td>158</td>
<td></td>
</tr>
</tbody>
</table>

### Explanation of Other Key Variances

<table>
<thead>
<tr>
<th>Key Variances £’000</th>
<th>Service</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Transport</td>
<td>Minor variance relating to highway licensing fees.</td>
<td>Budgets relating to staff costs rechargeable to capital projects are currently being reviewed to minimise to impact on the revenue budget within the financial year and on an on-going basis.</td>
</tr>
<tr>
<td>15</td>
<td>Highways Engineering</td>
<td>The variance is due to under achievement of staff costs recharged to capital projects, which has been partly offset by vacancy management.</td>
<td></td>
</tr>
<tr>
<td>(336)</td>
<td>Parking</td>
<td>Permit income is expected to overachieve by £0.289m. There has been a significantly higher demand for resident, visitor and trader permits during the year compared to budgeted expectations.</td>
<td>Actual income is monitored and reported on a monthly basis as part of the TBM process. There are a range of factors that can impact on parking activity and therefore any significant variations to the forecast are reported and acted upon regularly. Minor percentage variations in activity could result in significant financial implications.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>There is a £0.171m variance relating to Penalty</td>
<td>There is currently a BPI review focusing on</td>
</tr>
<tr>
<td>Key Variances £’000</td>
<td>Service</td>
<td>Description</td>
<td>Mitigation Strategy</td>
</tr>
<tr>
<td>---------------------</td>
<td>--------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Charge Notice previous years debt, where performance of recovery has reduced, resulting in a greater contribution to the bad debt provision.</td>
<td>improving PCN debt recovery procedures which is expected to improve the ongoing bad debt requirement.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>There is a net £0.093m over achievement of off-street parking income forecast across the various car parks, with the main contributing factor being additional income at London Road car park due to an contractual agreement for car park use with an external company. Borrowing costs associated with car park investment are forecast to under spend by £0.162m due to reducing borrowing costs over the repayment period. Other minor variances largely relate to car park premises costs.</td>
<td>The service are in the process of reviewing options for car park investment to determine if the ongoing borrowing revenue budget is required.</td>
</tr>
<tr>
<td>City Clean &amp; Parks</td>
<td></td>
<td>Vacancies and other expenditure is being held to offset overspends across the service.</td>
<td></td>
</tr>
<tr>
<td>(68)</td>
<td>City Clean and City Parks Management</td>
<td>£0.124m relates to employees budget overspending largely due to the one-off pressure of Easter bank holidays falling twice in the financial year resulting in additional overtime and Resident Service Guarantee payments; in addition to weekend working on communal recycling rounds and city wide clean up activities.</td>
<td>This one-off overspend will result in future year underspends due to the timing of bank holidays within the financial year.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>£0.031m relating to vehicle hire to cover for lead in time for procurement of new vehicles, requirements for one-off activities and additional cover during the Hollingdean Depot refurbishment.</td>
<td>Actions are being put in place to reduce the requirement for leased vehicles and loss of use claims are being pursued where appropriate.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>£0.022m oversprint forecast for premises costs at Hollingdean Depot where estimates of utilities, repairs and security are greater than budget.</td>
<td>The service will continue to identify potential in-year underspends to offset the forecast overspend position.</td>
</tr>
<tr>
<td>(4)</td>
<td>City Parks Operations</td>
<td>Minor variance forecast.</td>
<td></td>
</tr>
<tr>
<td>Key Variance £’000</td>
<td>Service</td>
<td>Description</td>
<td>Mitigation Strategy</td>
</tr>
<tr>
<td>-------------------</td>
<td>-------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>(47)</td>
<td>Fleet Management</td>
<td>A delay to the savings from increased servicing and MOT income which is dependant on Hollingdean Depot refurbishment works has been offset by in year underspends within the service.</td>
<td></td>
</tr>
<tr>
<td>(65)</td>
<td>Head of Planning &amp; Building Control</td>
<td>Underspend in salary costs due to vacancy management including temporary acting-up arrangements in place across the service.</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Business Development &amp; Customer Services</td>
<td>Minor variance forecast.</td>
<td></td>
</tr>
<tr>
<td>73</td>
<td>Development Planning</td>
<td>Variance largely due to forecast under achievement of income within the Building Control service, due to a challenging income budget within a competitive commercial environment.</td>
<td></td>
</tr>
<tr>
<td>(16)</td>
<td>Planning Policy and Major Projects</td>
<td>Forecast additional costs resulting from the Planning Examination for the City Plan of £0.028m is offset by vacancy management (£0.029m) and maximising one-off external funding (£0.015m)</td>
<td></td>
</tr>
<tr>
<td>(71)</td>
<td>Homemove</td>
<td>A recent review of the work the team carries out for the HRA has led to a change in the recharge leading to a forecast underspend of £0.051m. There is also a further underspend of £0.020m due to vacancies.</td>
<td></td>
</tr>
<tr>
<td>(28)</td>
<td>Housing Strategy &amp; Development</td>
<td>This underspend relates to the recharge of the Head of Housing Strategy to the HRA for the covering of the vacant Head of Property &amp; Investment post.</td>
<td></td>
</tr>
<tr>
<td>68</td>
<td>Housing Support Service</td>
<td>This service relates to staff who are keeping clients safe while placed in temporary accommodation. During 2014/15 service pressure funding was not back in line with budget. In addition six members</td>
<td></td>
</tr>
<tr>
<td>Key Variances £’000</td>
<td>Service</td>
<td>Description</td>
<td>Mitigation Strategy</td>
</tr>
<tr>
<td>---------------------</td>
<td>---------</td>
<td>-------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>602</td>
<td>Corporate Critical - Temporary Accommodation &amp; Allocations</td>
<td>available to fund this service, however, this has not been made available for 2015/16, leaving a service pressure at this time.</td>
<td>of staff on temporary contracts have been given notice and will leave by the end of September.</td>
</tr>
<tr>
<td>154</td>
<td>Private Sector Housing</td>
<td>This overspend is mainly due to the on-going need to spot purchase expensive bed and breakfast accommodation.</td>
<td>With the new framework in place, more leased properties are being procured but these are not keeping pace with demand. Therefore the need to spot purchase nightly temporary accommodation has not reduced as originally forecast. The review of properties with Adults and Children’s services clients has not resulted in any properties being released. Although 100 new leased properties have just been procured, it will take some months before these become available. Other landlords with fewer properties are also being approached with a view to expanding the leased property portfolio.</td>
</tr>
</tbody>
</table>

The majority of this variance arises from the timing of approval for a second discretionary licensing scheme which, with formal notice period, means implementation will not be until November 2015. This means that budgeted income will be reduced by an estimated £0.180m during 2015/16 which will not align to currently budgeted costs, leading to a service pressure on employee costs, as employee time will not be recharged to the new scheme. | Staffing and other costs will have to be reviewed and adjusted to align resources to the fee income achieved from the mandatory, and two additional licensing schemes. It is anticipated that the majority of the fees will be received during the first year of operation of the second additional licensing scheme and it is therefore intended to resource the service flexibly to accommodate demand. |
### Assistant Chief Executive – Revenue Budget Summary

<table>
<thead>
<tr>
<th>Service</th>
<th>Forecast Variance Month 2</th>
<th>2015/16 Budget Month 5</th>
<th>Forecast Outturn Month 5</th>
<th>Forecast Variance Month 5</th>
<th>Forecast Variance Month 5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
<td></td>
</tr>
<tr>
<td>Communications</td>
<td>0</td>
<td>824</td>
<td>778</td>
<td>(46)</td>
<td>-5.6%</td>
</tr>
<tr>
<td>Royal Pavilion, Arts &amp; Museums</td>
<td>0</td>
<td>3,491</td>
<td>3,545</td>
<td>54</td>
<td>1.5%</td>
</tr>
<tr>
<td>Tourism &amp; Venues</td>
<td>0</td>
<td>1,470</td>
<td>1,470</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Libraries</td>
<td>51</td>
<td>5,192</td>
<td>5,192</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Corporate Policy &amp; Communities</td>
<td>0</td>
<td>4,566</td>
<td>4,475</td>
<td>(91)</td>
<td>-2.0%</td>
</tr>
<tr>
<td>Sport &amp; Leisure</td>
<td>0</td>
<td>132</td>
<td>112</td>
<td>(20)</td>
<td>-15.2%</td>
</tr>
<tr>
<td>Total Revenue - Assistant Chief Executive</td>
<td>51</td>
<td>15,675</td>
<td>15,572</td>
<td>(103)</td>
<td>-0.7%</td>
</tr>
</tbody>
</table>

### Monitoring of Achievement of 2015/16 Savings

<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£'000)</th>
<th>Achieved / Anticipated (£'000)</th>
<th>At Risk (£'000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communications</td>
<td>Communications Team Deletion of vacant post</td>
<td>25</td>
<td>25</td>
<td>0</td>
<td>Achieved</td>
</tr>
<tr>
<td>Royal Pavilion, Arts &amp; Museums</td>
<td>Savings from service redesign</td>
<td>20</td>
<td>20</td>
<td>0</td>
<td>Fully achieved</td>
</tr>
<tr>
<td>Service</td>
<td>Description of Saving Opportunity</td>
<td>Planned Savings 2015/16 (£'000)</td>
<td>Achieved / Anticipated (£'000)</td>
<td>At Risk (£'000)</td>
<td>Progress / Mitigation</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------</td>
<td>---------------------------------</td>
<td>-------------------------------</td>
<td>----------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Royal Pavilion, Arts &amp; Museums</td>
<td>Charging at £5 per head for non-residents at Brighton Museum</td>
<td>150</td>
<td>150</td>
<td>0</td>
<td>Continue to monitor closely the response to the new charges. Income levels seem to be holding up, despite a drop in visitor numbers.</td>
</tr>
<tr>
<td><strong>Tourism &amp; Venues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Venues - Brighton Centre</td>
<td>Increased income and targeting private hiring’s and recharges</td>
<td>5</td>
<td>5</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Venues - Brighton Centre</td>
<td>Install motion sensors in toilets and meeting rooms to create savings on electricity costs and reduction of spend on building infrastructure</td>
<td>35</td>
<td>35</td>
<td>0</td>
<td>In progress – motion sensors have been installed in toilets and plans are in place to reduce spend on building maintenance</td>
</tr>
<tr>
<td>Tourism Services</td>
<td>Establish 'Love Brighton' Tourism brand with licensing and commercialisation of Visit Brighton website</td>
<td>15</td>
<td>15</td>
<td>0</td>
<td>In progress</td>
</tr>
<tr>
<td>Tourism Services</td>
<td>Full review of all budgets</td>
<td>25</td>
<td>25</td>
<td>0</td>
<td>In progress</td>
</tr>
<tr>
<td><strong>Libraries</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Libraries Service</td>
<td>Income through new charging framework</td>
<td>43</td>
<td>43</td>
<td>0</td>
<td>Delay in implementation of new fees and charges</td>
</tr>
<tr>
<td>Libraries Service</td>
<td>Efficiency review of operating model</td>
<td>15</td>
<td>15</td>
<td>0</td>
<td>Achieved through the ‘flexible’ retirement of a senior manager</td>
</tr>
<tr>
<td>Libraries Service</td>
<td>Identified efficiencies within contracts</td>
<td>90</td>
<td>90</td>
<td>0</td>
<td>Achieved through the renegotiation of bibliographic services contract through the PFI</td>
</tr>
<tr>
<td></td>
<td></td>
<td>148</td>
<td>148</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>
## Appendix 1 Revenue Budget Performance

<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£'000)</th>
<th>Achieved / Anticipated (£'000)</th>
<th>At Risk (£'000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Corporate Policy &amp; Communities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overview &amp; Scrutiny</td>
<td>Deletion of the majority of the service and deliver statutory minimum service</td>
<td>151</td>
<td>151</td>
<td>0</td>
<td>Fully achieved</td>
</tr>
<tr>
<td>Corporate Research Team</td>
<td>Integrate intelligence function with Public Health enabling deletion of 0.50 FTE vacant post</td>
<td>25</td>
<td>25</td>
<td>0</td>
<td>Fully achieved</td>
</tr>
<tr>
<td>Senior Managers Support</td>
<td>Service review to achieve efficiencies through pooled working and service modernisation</td>
<td>30</td>
<td>30</td>
<td>0</td>
<td>Fully achieved</td>
</tr>
<tr>
<td></td>
<td></td>
<td>206</td>
<td>206</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>Sport &amp; Leisure</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sports Facilities</td>
<td>Energy saving measures</td>
<td>50</td>
<td>50</td>
<td>0</td>
<td>In progress</td>
</tr>
<tr>
<td>Investment of Public Health resources</td>
<td>Refocus of Sports Development on Public Health priorities.</td>
<td>300</td>
<td>300</td>
<td>0</td>
<td>Achieved</td>
</tr>
<tr>
<td>Seafront Services</td>
<td>Increased income from ground rents for Beach Huts and rents from Chalets (£0.005m) and reduced expenditure on sea buoys (£0.005m)</td>
<td>10</td>
<td>10</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Outdoor Events</td>
<td>Increased income from events</td>
<td>10</td>
<td>10</td>
<td>0</td>
<td>In progress</td>
</tr>
<tr>
<td></td>
<td></td>
<td>370</td>
<td>370</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL ASSISTANT CHIEF EXECUTIVE</strong></td>
<td></td>
<td>999</td>
<td>999</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>
### Explanation of Other Key Variances

<table>
<thead>
<tr>
<th>Key Variances £’000</th>
<th>Service</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Communications</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(46)</td>
<td>Communications</td>
<td>A staffing underspend of £0.046m is forecast at Month 5.</td>
<td></td>
</tr>
<tr>
<td><strong>Royal Pavilion, Arts &amp; Museums</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>54</td>
<td>Royal Pavilion, Arts &amp; Museums</td>
<td>A break-even position was reported at Month 2, however it was noted that there were pressures arising from the investment in changes to Brighton Museum front entrance in order to achieve new income through introduction of admission charge. There are also on-going pressures on retail income and increases in security system costs. The forecast at Month 5 indicates a forecast overspend of £0.054m across the service.</td>
<td>There continues to be close monitoring of all income streams and holding vacancies and other expenditure where possible to help cover these pressures - in line with the new financial control measures put in place.</td>
</tr>
<tr>
<td><strong>Tourism &amp; Venues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0</td>
<td>Tourism &amp; Venues</td>
<td>Venues are reporting a break-even position at Month 5. However, there are risks associated with this due to there being a forecast overspend against Entertainment income of £0.130m. This is based on contracted business and concerts that Venues are either in discussion over or where there are blank dates in the diary and there is reasonable confidence that business will appear at some point. There is also an additional £0.017m relating to lost merchandise and recharges income less the estimated saving on Stewarding. It is possible that other business may appear during the year (concerts have a short lead in time) to manage this pressure down, which is why a break-even position is being reported at this time. The Venue was successful in appealing its level of Business Rates and has received a reduction for 2015-16 of £0.022m, which has reduced the risk overall to £0.125m. A spending freeze of all non-operational and non-essential expenditure was put in place during August and remains in place for the remainder of the financial year.</td>
<td></td>
</tr>
</tbody>
</table>
## Appendix 1 Revenue Budget Performance

<table>
<thead>
<tr>
<th>Key Variances £’000</th>
<th>Service</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Libraries</td>
<td>Libraries</td>
<td>A break-even position is being reported at Month 5, which is an improvement of £0.043m from Month 2.</td>
<td></td>
</tr>
<tr>
<td>(91) Corporate Policy &amp; Communities</td>
<td>Corporate Policy &amp; Communities</td>
<td>An underspend against staffing of £0.054m is forecast at Month 5 and a further underspend of £0.037m against the grants programme from stalled recruitment.</td>
<td></td>
</tr>
<tr>
<td>(20) Sport &amp; Leisure</td>
<td>Sport &amp; Leisure</td>
<td>An underspend of £0.020m is being reported at Month 5.</td>
<td></td>
</tr>
</tbody>
</table>
### Public Health – Revenue Budget Summary

<table>
<thead>
<tr>
<th>Service</th>
<th>Forecast Variance Month 2 £’000</th>
<th>2015/16 Budget Month 5 £’000</th>
<th>Forecast Outturn Month 5 £’000</th>
<th>Forecast Variance Month 5 £’000</th>
<th>Forecast Variance Month 5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Health</td>
<td>0</td>
<td>1,680</td>
<td>1,680</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Community Safety</td>
<td>0</td>
<td>1,350</td>
<td>1,350</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Public Protection</td>
<td>0</td>
<td>2,084</td>
<td>2,039</td>
<td>(45)</td>
<td>-2.2%</td>
</tr>
<tr>
<td>Total Revenue - Public Health</td>
<td>0</td>
<td>5,114</td>
<td>5,069</td>
<td>(45)</td>
<td>-0.9%</td>
</tr>
</tbody>
</table>

### Monitoring of Achievement of 2015/16 Savings

<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£’000)</th>
<th>Achieved / Anticipated (£’000)</th>
<th>At Risk (£’000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Health</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Smoking &amp; Tobacco</td>
<td>Respecifying and retendering the service</td>
<td>35</td>
<td>35</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Substance Misuse Services</td>
<td>Contract award agreed by P&amp;R will result in savings</td>
<td>400</td>
<td>400</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Public Health Advice</td>
<td>Reduce overall service level and service redesign.</td>
<td>30</td>
<td>30</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Physical Activity</td>
<td>Exercise referral service redesign</td>
<td>10</td>
<td>10</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Other Public Health Savings</td>
<td>Review of commitments and potential contract reductions</td>
<td>285</td>
<td>285</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>
## Appendix 1 Revenue Budget Performance

<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£’000)</th>
<th>Achieved / Anticipated (£’000)</th>
<th>At Risk (£’000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment of Public Health grant against services to deliver Public Health Outcomes</td>
<td>Investment of Public Health grant against services to deliver Public Health Outcomes</td>
<td>(760)</td>
<td>(760)</td>
<td>0</td>
<td>Savings of £0.760m have been delivered against the ring-fenced Public Health grant and reinvested in services to deliver Public Health outcomes (in line with the budget strategy). Discussions are ongoing with Transport and Housing with regards to use of their £0.050m funding respectively to ensure they deliver against Public Health outcomes.</td>
</tr>
<tr>
<td>Community Safety</td>
<td>Commissioning of street outreach services, priority and prolific offenders and support for drugs interventions within recommissioning of substance misuse services</td>
<td>39</td>
<td>39</td>
<td>0</td>
<td>All savings have been achieved up-front, with the exception of £0.020m relating to the restructuring of PCST. It is anticipated that the £0.020m will be delivered during the course of the year.</td>
</tr>
<tr>
<td>Community Safety</td>
<td>Restructuring of posts (policy officer migrants and CS manager, community cohesion) and release of vacant post</td>
<td>31</td>
<td>31</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Community Safety</td>
<td>Restructuring of partnership community safety team (PCST)</td>
<td>20</td>
<td>20</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Communities Against Drugs &amp; Environment Improvement Team</td>
<td>Removed match funding at the end of European (INTERREG) funding for the Communities Against Drugs Team</td>
<td>68</td>
<td>68</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>
## Appendix 1 Revenue Budget Performance

<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£'000)</th>
<th>Achieved / Anticipated (£'000)</th>
<th>At Risk (£'000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Safety</td>
<td>East Sussex funding contribution to extended service</td>
<td>10</td>
<td>10</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Community Safety.</td>
<td>Reduction in the capacity of intelligence, analytical and strategic assessment functions.</td>
<td>18</td>
<td>18</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>186</td>
<td>186</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Public Protection</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Health &amp; Licensing</td>
<td>Development of a self funded wildlife management team charging for pest control</td>
<td>20</td>
<td>20</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Environmental Health &amp; Licensing</td>
<td>Service redesign including suspension of the late night noise investigation service.</td>
<td>165</td>
<td>165</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Trading Standards</td>
<td>Service redesign to allow sustainability of statutory service in future</td>
<td>50</td>
<td>50</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>235</td>
<td>235</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>TOTAL PUBLIC HEALTH</td>
<td></td>
<td>421</td>
<td>421</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

### Explanation of Other Key Variances

<table>
<thead>
<tr>
<th>Key Variances £'000</th>
<th>Service</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Health</td>
<td>Public Health</td>
<td>The ring fenced public health grant is £18.695m, which is the same as last financial year. In 2014/15 an amount of £0.850m was carried forward as part of a Public Health reserve, mainly as a result of delays in</td>
<td></td>
</tr>
<tr>
<td>Key Variances £'000</td>
<td>Service</td>
<td>Description</td>
<td>Mitigation Strategy</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------------------</td>
<td>-----------------------------------------------------------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td></td>
<td>committed spend.</td>
<td>Whilst the forecast for Month 5 is unchanged from Month 2 it does assume that the service will be able to fully cover the £1.290m of savings needed to deliver the in-year reduction of the PH ring-fenced grant. However it should be noted that the majority of this will come from carry-over planned spends that will not now take place, and so is non-recurrent.</td>
<td></td>
</tr>
<tr>
<td>Community Safety</td>
<td></td>
<td>Break-even position expected.</td>
<td></td>
</tr>
<tr>
<td>0</td>
<td>Community Safety</td>
<td>Break-even position expected.</td>
<td></td>
</tr>
<tr>
<td>Public Protection</td>
<td>(45)</td>
<td>There is a staffing underspend of £0.045m against Trading Standards. It is expected that the rest of the service will achieve a break-even position.</td>
<td></td>
</tr>
</tbody>
</table>
### Appendix 1 Revenue Budget Performance

#### Finance & Resources & Law – Revenue Budget Summary

<table>
<thead>
<tr>
<th>Forecast Variance Month 2 £'000</th>
<th>Service</th>
<th>2015/16 Budget Month 5 £'000</th>
<th>Forecast Outturn Month 5 £'000</th>
<th>Forecast Variance Month 5 £'000</th>
<th>Forecast Variance Month 5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>36</td>
<td>City Services</td>
<td>7,468</td>
<td>7,263</td>
<td>(205)</td>
<td>-2.7%</td>
</tr>
<tr>
<td>(160)</td>
<td>Housing Benefit Subsidy</td>
<td>(637)</td>
<td>(837)</td>
<td>(200)</td>
<td>-31.4%</td>
</tr>
<tr>
<td>74</td>
<td>HR &amp; Organisational Development</td>
<td>3,370</td>
<td>3,444</td>
<td>74</td>
<td>2.2%</td>
</tr>
<tr>
<td>0</td>
<td>ICT</td>
<td>7,235</td>
<td>7,235</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Property &amp; Design</td>
<td>3,701</td>
<td>3,451</td>
<td>(250)</td>
<td>-6.8%</td>
</tr>
<tr>
<td>0</td>
<td>Finance</td>
<td>5,598</td>
<td>5,578</td>
<td>(20)</td>
<td>-0.4%</td>
</tr>
<tr>
<td>0</td>
<td>Performance, Improvement &amp; Programmes</td>
<td>478</td>
<td>478</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>(10)</td>
<td>Legal &amp; Democratic Services</td>
<td>3,092</td>
<td>3,082</td>
<td>(10)</td>
<td>-0.3%</td>
</tr>
<tr>
<td>(60)</td>
<td>Total Revenue - Resources &amp; Finance</td>
<td>30,305</td>
<td>29,694</td>
<td>(611)</td>
<td>-2.0%</td>
</tr>
</tbody>
</table>

#### Monitoring of Achievement of 2015/16 Savings

<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£'000)</th>
<th>Achieved / Anticipated (£'000)</th>
<th>At Risk (£'000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Services (Revenues &amp; Benefits)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Council Tax Running Expenses</td>
<td>Removal of class C 'empty and unfurnished' discount</td>
<td>94</td>
<td>94</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Council Tax Running Expenses</td>
<td>Removal of class D 'uninhabitable' discounts</td>
<td>32</td>
<td>32</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Council Tax Running Expenses</td>
<td>Digitally Improve the Customer Experience (DiCE) reduction in project costs</td>
<td>10</td>
<td>10</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Service</td>
<td>Description of Saving Opportunity</td>
<td>Planned Savings 2015/16 (£’000)</td>
<td>Achieved / Anticipated (£’000)</td>
<td>At Risk (£’000)</td>
<td>Progress / Mitigation</td>
</tr>
<tr>
<td>---------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------</td>
<td>----------------------------------</td>
<td>-------------------------------</td>
<td>-----------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>Council Tax Benefit Local Variations</td>
<td>Deletion, without detriment, of this discretion which is now accounted for elsewhere in the tax base</td>
<td>32</td>
<td>32</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Housing Benefits / CTR administration costs</td>
<td>Reduction of Outreach Work through reduced admin costs</td>
<td>58</td>
<td>58</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Technical Delivery Team</td>
<td>Negotiation of reduced costs in contracts</td>
<td>30</td>
<td>30</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Technical Delivery Team</td>
<td>Implementation of completely online claiming system reducing paper and stationery costs</td>
<td>10</td>
<td>10</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Electronic Document Management Team (EDM)</td>
<td>Redesign of Electronic Document Management function</td>
<td>5</td>
<td>5</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Housing Benefits / CTR administration costs</td>
<td>Reduction in opening hours of 20-25% of current counter or phone opening service.</td>
<td>58</td>
<td>58</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>City Services (Life Events)</td>
<td></td>
<td>329</td>
<td>329</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Bereavement Services</td>
<td>Increased income through increased fees and charges</td>
<td>35</td>
<td>35</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Customer Service Centres</td>
<td>Reduce security resources at the Brighton Bartholomew House Customer Service Centre (CSC)</td>
<td>36</td>
<td>36</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>City Services Managers &amp; Customer Improvement.</td>
<td>Reduce the specialist training capacity to Revenues and Benefits</td>
<td>51</td>
<td>51</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Overview of City Services Division</td>
<td>Service redesign of management roles across the division</td>
<td>35</td>
<td>35</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>157</td>
<td>157</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Service</td>
<td>Description of Saving Opportunity</td>
<td>Planned Savings 2015/16 (£'000)</td>
<td>Achieved / Anticipated (£'000)</td>
<td>At Risk (£'000)</td>
<td>Progress / Mitigation</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------</td>
<td>---------------------------------</td>
<td>-------------------------------</td>
<td>----------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>Human Resources &amp; Organisational Development</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health and Safety</td>
<td>Savings achieved through reduction in staffing budget through service redesign and increase in income generation</td>
<td>25</td>
<td>25</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Occupational Health &amp; Wellbeing</td>
<td>Reduction of 0.5 FTE post</td>
<td>20</td>
<td>20</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>HR Services</td>
<td>Implementation of Talentlink to replace iGrasp and simplification of business processes</td>
<td>57</td>
<td>57</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Workforce Development</td>
<td>Service redesign and purchase of a new Learning Management System will release monies from other learning related licences</td>
<td>50</td>
<td>50</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>152</strong></td>
<td><strong>152</strong></td>
<td><strong>0</strong></td>
<td></td>
</tr>
<tr>
<td>ICT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Schools ICT Service</td>
<td>Increase trading to more schools and the community and voluntary sector.</td>
<td>13</td>
<td>13</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Third Party Suppliers</td>
<td>Review and reduction of existing contracts to offset some of the continuing increase in costs from demands of new services</td>
<td>345</td>
<td>345</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>358</strong></td>
<td><strong>358</strong></td>
<td><strong>0</strong></td>
<td></td>
</tr>
<tr>
<td>Property &amp; Design</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Architecture &amp; Design Team</td>
<td>Increased fee income from professional project work</td>
<td>15</td>
<td>15</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Building Surveying &amp; Maintenance Team</td>
<td>Increased fee income from professional project work</td>
<td>15</td>
<td>15</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>
## Appendix 1 Revenue Budget Performance

<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£'000)</th>
<th>Achieved / Anticipated (£'000)</th>
<th>At Risk (£'000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workstyles Project</td>
<td>Combined Phases 2 &amp; 3 of Workstyles includes release of leased buildings and reduced property running costs</td>
<td>170</td>
<td>170</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Education Property Management</td>
<td>Deletion of vacant admin post</td>
<td>20</td>
<td>20</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Estates Management</td>
<td>Increased income from the commercial urban portfolio</td>
<td>150</td>
<td>150</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Facilities &amp; Building Services</td>
<td>Re-procurement of the corporate building cleaning contract</td>
<td>80</td>
<td>80</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Facilities &amp; Building Services</td>
<td>Service redesign of the courier service.</td>
<td>55</td>
<td>55</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Corporate Landlord Budgets</td>
<td>Reduction to the corporate planned maintenance budget programme (£0.295m), reduced reactive repair costs and client adjustments (£0.065m), closure/surrender of surplus buildings and leases (£0.015m)</td>
<td>462</td>
<td>462</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>967</strong></td>
<td><strong>967</strong></td>
<td><strong>0</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Internal Audit / Corporate Fraud / NAFN**

<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£'000)</th>
<th>Achieved / Anticipated (£'000)</th>
<th>At Risk (£'000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Audit</td>
<td>Reduced Principal Auditor staffing</td>
<td>50</td>
<td>50</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>50</strong></td>
<td><strong>50</strong></td>
<td><strong>0</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Finance & Procurement**

<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£'000)</th>
<th>Achieved / Anticipated (£'000)</th>
<th>At Risk (£'000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>External Audit</td>
<td>Planned 25% reduction in audit fees</td>
<td>40</td>
<td>40</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>
## Appendix 1 Revenue Budget Performance

<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£’000)</th>
<th>Achieved / Anticipated (£’000)</th>
<th>At Risk (£’000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Services</td>
<td>Staffing efficiencies across Financial Management teams, debtors and creditors services through Business Process Improvement</td>
<td>163</td>
<td>163</td>
<td>0</td>
<td>Approx. £0.066m identified to date but further work is required to deliver the full saving.</td>
</tr>
<tr>
<td>Financial Services</td>
<td>Income generation measures including charges for grant administration, banking services, etc.</td>
<td>60</td>
<td>60</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL FINANCE, RESOURCES &amp; LAW</strong></td>
<td></td>
<td>263</td>
<td>263</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Legal &amp; Democratic Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Members’ Allowances</td>
<td>Reduction in some special responsibility allowances and a rationalisation of others</td>
<td>25</td>
<td>25</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL FINANCE, RESOURCES &amp; LAW</strong></td>
<td></td>
<td>25</td>
<td>25</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

### Explanation of Other Key Variances

<table>
<thead>
<tr>
<th>Key Variances £’000</th>
<th>Service</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(144)</td>
<td>Revenues &amp; Benefits</td>
<td>The underspend is due to vacancy management, expected overachievement of income targets and a reduction in projected costs of computer maintenance.</td>
<td></td>
</tr>
<tr>
<td>(51)</td>
<td>Life Events</td>
<td>The £0.051m underspend is due mostly to one off government funding in respect of</td>
<td></td>
</tr>
<tr>
<td>Key Variances £’000</td>
<td>Service</td>
<td>Description</td>
<td>Mitigation Strategy</td>
</tr>
<tr>
<td>---------------------</td>
<td>-----------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>Service</td>
<td>Description</td>
<td>Mitigation Strategy</td>
</tr>
<tr>
<td>(10)</td>
<td>Customer Services</td>
<td>This small underspend arises from the management of vacancies.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>personal land charges liability costs and management of vacancies. This is partly offset by income pressures in the service.</td>
<td></td>
</tr>
<tr>
<td>(200)</td>
<td>HB Subsidy</td>
<td>There is a forecast surplus of £0.200m associated with the recovery of overpayments of former Council Tax benefit. At this stage there is insufficient data to make a forecast for the main Housing Benefit subsidy budgets.</td>
<td></td>
</tr>
<tr>
<td>74</td>
<td>Union Support</td>
<td>A projected £0.074m overspend has been reported within the service. This is due to a gap between the cost of the current level of full-time corporate release for union activities and the available budget.</td>
<td>The union budget is still at the same overspend levels as last year as the HROD service plans a strategy around facilities time review – so it will need to create a savings plan in year to accommodate this. This is not a HROD function and the service is unable to control this but in previous years any underspend in HROD has offset the overspend. The HROD service is unable, at this stage, to subsume any overspend but this needs to be revisited once the changes on income lines in the HROD budget can be profiled more accurately.</td>
</tr>
<tr>
<td>(0)</td>
<td>ICT</td>
<td>At Month 5, the forecast is for an on-target position. The service does have budget pressures in some areas but these should be offset by savings in other areas. Due to the vacancy freeze, some savings are now anticipated in the salaries budget but any savings made will be used to offset the expected additional Business Objects</td>
<td></td>
</tr>
</tbody>
</table>
### Appendix 1 Revenue Budget Performance

<table>
<thead>
<tr>
<th>Key Variances £'000</th>
<th>Service</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>(250)</td>
<td>Property &amp; Design</td>
<td>Licensing costs arising from the current dispute.</td>
<td></td>
</tr>
<tr>
<td>(20)</td>
<td>Finance</td>
<td>The commercial rent income forecast shows an overachievement of £0.085m, with good results still at New England House. There is an expected underspend of £0.045m during this financial year for utility costs at Hove Town Hall, due to reduced occupancy during the renovations and also £0.020m from improved water monitoring with automatic meter readings. There are also expected underspends in reactive repairs of £0.050m within the Corporate Landlord function, and a proposed restructure within the Post Room and Premises Helpdesk teams should save a further £0.050m.</td>
<td></td>
</tr>
<tr>
<td>(10)</td>
<td>Democratic Services</td>
<td>There is a small underspend of £0.010m reported within Democratic Services.</td>
<td></td>
</tr>
</tbody>
</table>

**Property & Design**
- **Description**: The commercial rent income forecast shows an overachievement of £0.085m, with good results still at New England House. There is an expected underspend of £0.045m during this financial year for utility costs at Hove Town Hall, due to reduced occupancy during the renovations and also £0.020m from improved water monitoring with automatic meter readings. There are also expected underspends in reactive repairs of £0.050m within the Corporate Landlord function, and a proposed restructure within the Post Room and Premises Helpdesk teams should save a further £0.050m.

**Finance**
- **Description**: The forecast for Financial Services, Procurement & Audit is for a small underspend. However, with the Brighton NAFN office due to close on 30 September this year, it is expected that the council will not be able to recover fees and costs of approximately £0.084m. The current intention is to attempt to bear these pressures within existing resources.

**Legal & Democratic Services**
- **Description**: There is a small underspend of £0.010m reported within Democratic Services.
## Corporate Budgets – Revenue Budget Summary

<table>
<thead>
<tr>
<th>Forecast Variance Month 2 £'000</th>
<th>Service</th>
<th>2015/16 Budget Month 5 £'000</th>
<th>Forecast Outturn Month 5 £'000</th>
<th>Forecast Variance Month 5 £'000</th>
<th>Forecast Variance Month 5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Bulk Insurance Premia</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Concessionary Fares</td>
<td>10,827</td>
<td>10,690</td>
<td>(137)</td>
<td>-1.3%</td>
</tr>
<tr>
<td>0</td>
<td>Capital Financing Costs</td>
<td>8,677</td>
<td>8,573</td>
<td>(104)</td>
<td>-1.2%</td>
</tr>
<tr>
<td>0</td>
<td>Levies &amp; Precepts</td>
<td>170</td>
<td>170</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Unallocated Contingency &amp; Risk Provisions</td>
<td>1,823</td>
<td>1,823</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Unringfenced Grants</td>
<td>(16,683)</td>
<td>(16,680)</td>
<td>3</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Other Corporate Items</td>
<td>1,534</td>
<td>1,262</td>
<td>(272)</td>
<td>-17.7%</td>
</tr>
<tr>
<td>0</td>
<td>Total Revenue - Corporate Budgets</td>
<td>6,348</td>
<td>5,838</td>
<td>(510)</td>
<td>-8.0%</td>
</tr>
</tbody>
</table>

### Key Variances

<table>
<thead>
<tr>
<th>Key Variances £'000</th>
<th>Service</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>(137)</td>
<td>Concessionary Fares</td>
<td>There is a reduction in the fixed deal payment to B&amp;H Buses of £0.105m to allow for the cessation of some routes and the remaining saving is mainly from lower than forecast trip numbers across other operators.</td>
<td></td>
</tr>
<tr>
<td>(104)</td>
<td>Capital Financing Costs</td>
<td>The Financing Costs budget allowed for short term borrowing ahead of long term forward borrowing being entered into in 2016/17 and 2017/18. Cash balances are forecast to be higher than originally expected, negating the need for short term borrowing. This has resulted in a projected saving of £0.104m being a combination of higher cash flow.</td>
<td></td>
</tr>
<tr>
<td>Key Variances £'000</td>
<td>Service</td>
<td>Description</td>
<td>Mitigation Strategy</td>
</tr>
<tr>
<td>---------------------</td>
<td>---------</td>
<td>-------------</td>
<td>---------------------</td>
</tr>
<tr>
<td></td>
<td><strong>Unringfenced Grants</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Unringfenced Grants</td>
<td>Minor variance.</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Other Corporate Items</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(256)</td>
<td>Centrally Managed Budgets</td>
<td>A balance of £0.267m associated with historic debts has been included within the corporate budgets and is offset by £0.011m debt written off due to unsuccessful external collection.</td>
<td></td>
</tr>
<tr>
<td>(16)</td>
<td>Former Employee Pension Costs</td>
<td>Spend on former employee pension costs is lower than anticipated by £0.016m.</td>
<td></td>
</tr>
</tbody>
</table>
## Housing Revenue Account – Revenue Budget Summary

<table>
<thead>
<tr>
<th>Forecast Variance Month 2 £’000</th>
<th>Housing Revenue Account</th>
<th>2015/16 Budget Month 5 £’000</th>
<th>Forecast Outturn Month 5 £’000</th>
<th>Forecast Variance Month 5 £’000</th>
<th>Forecast Variance Month 5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Capital Financing</td>
<td>31,095</td>
<td>30,990</td>
<td>(105)</td>
<td>-0.3%</td>
</tr>
<tr>
<td>0</td>
<td>Head of Housing HRA</td>
<td>3,448</td>
<td>3,454</td>
<td>6</td>
<td>0.2%</td>
</tr>
<tr>
<td>8</td>
<td>Head of Regeneration</td>
<td>290</td>
<td>240</td>
<td>(50)</td>
<td>-17.2%</td>
</tr>
<tr>
<td>(1)</td>
<td>Housing Strategy</td>
<td>524</td>
<td>592</td>
<td>68</td>
<td>13.0%</td>
</tr>
<tr>
<td>0</td>
<td>Housing Support</td>
<td>257</td>
<td>259</td>
<td>2</td>
<td>0.8%</td>
</tr>
<tr>
<td>96</td>
<td>Income Involvement Improvement</td>
<td>(49,497)</td>
<td>(49,516)</td>
<td>(19)</td>
<td>0.0%</td>
</tr>
<tr>
<td>(30)</td>
<td>Property &amp; Investment</td>
<td>11,999</td>
<td>11,724</td>
<td>(275)</td>
<td>-2.3%</td>
</tr>
<tr>
<td>(118)</td>
<td>Tenancy Services</td>
<td>1,884</td>
<td>1,728</td>
<td>(156)</td>
<td>-8.3%</td>
</tr>
<tr>
<td>(45)</td>
<td>Total</td>
<td>-</td>
<td>(529)</td>
<td>(529)</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

### Monitoring of Achievement of 2015/16 Savings

<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£’000)</th>
<th>Achieved / Anticipated (£’000)</th>
<th>At Risk (£’000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Housing Revenue Account</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing Management &amp; Maintenance</td>
<td>Service redesign of Housing Management &amp; Maintenance</td>
<td>251</td>
<td>181</td>
<td>70</td>
<td>Service redesign is ongoing however £70k of this saving will now be found from deleting the budget for extra legal costs no longer required.</td>
</tr>
<tr>
<td>Housing Support</td>
<td>50% of management post no longer chargeable to the HRA</td>
<td>30</td>
<td>30</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>
# Appendix 1 Revenue Budget Performance

<table>
<thead>
<tr>
<th>Service</th>
<th>Description of Saving Opportunity</th>
<th>Planned Savings 2015/16 (£’000)</th>
<th>Achieved / Anticipated (£’000)</th>
<th>At Risk (£’000)</th>
<th>Progress / Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head of Housing Management &amp; Support Services</td>
<td>Reduce support service charges</td>
<td>33</td>
<td>33</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Customer Services</td>
<td>Increase charges for car parks and garages where demand is high</td>
<td>45</td>
<td>45</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Customer Services</td>
<td>Reduction of 0.15 FTE office management post</td>
<td>4</td>
<td>4</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Customer Services</td>
<td>Reduction in general office budgets</td>
<td>40</td>
<td>40</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Tenancy Services - Estates</td>
<td>Reduce materials budget within the estates service</td>
<td>25</td>
<td>25</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Tenancy Services - Tenancy Management</td>
<td>Deletion of vacant post</td>
<td>27</td>
<td>27</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Tenancy Services - Tenancy Management</td>
<td>Efficiency savings on gas and electricity costs</td>
<td>120</td>
<td>120</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Tenancy Services - Older Peoples Housing</td>
<td>Phase 2 of Intensive Housing Management Charge</td>
<td>111</td>
<td>111</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Tenancy Services - Older Peoples Housing</td>
<td>Reduction of cost of Carelink line</td>
<td>7</td>
<td>7</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Property and Investment</td>
<td>Review of commercial rents</td>
<td>50</td>
<td>50</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Property and Investment</td>
<td>Efficiencies on repairs and service contracts</td>
<td>164</td>
<td>164</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL HOUSING REVENUE ACCOUNT</strong></td>
<td></td>
<td><strong>907</strong></td>
<td><strong>837</strong></td>
<td><strong>70</strong></td>
<td></td>
</tr>
</tbody>
</table>
## Explanation of Other Key Variances

<table>
<thead>
<tr>
<th>Key Variances £'000</th>
<th>Service</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Housing Revenue Account</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(105) Capital Financing</td>
<td>The forecast reprofiling/slippage for the HRA Capital Programme will reduce the amount of borrowing required in 2015/16 to fund the overall programme, which will therefore results in lower interest charges than originally budgeted for.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(50) Head of Regeneration</td>
<td>The estimated level of capitalisation of salaries is higher than originally budgeted.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>68 Housing Strategy</td>
<td>A review of the work carried out by the Housing Allocations team has meant that the amount of staff time charged to the HRA has increased to a charge of 80% of staff time compared to a budgeted split of 50/50.</td>
<td>The overspend in this service is being covered by underspends elsewhere within the HRA.</td>
<td></td>
</tr>
<tr>
<td>(274) Property &amp; Investment</td>
<td>Property &amp; Investment is forecast to underspend by £0.274m mainly due to a projected underspend of £0.303m relating to routine repairs. The expenditure on routine repairs has reduced due to a reduction in the number of council dwellings and also the increased levels of capital investment over the past few years.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(156) Tenancy Services</td>
<td>Underspends of £0.075m are projected on gas &amp; electricity charges and the £0.040m budget relating to the Community Payback Scheme is no longer required.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Dedicated Schools Grant – Revenue Budget Summary

<table>
<thead>
<tr>
<th>Forecast Variance Month 2 £'000</th>
<th>Dedicated Schools Grant (DSG)</th>
<th>2015/16 Budget Month 5 £'000</th>
<th>Forecast Outturn Month 5 £'000</th>
<th>Forecast Variance Month 5 £'000</th>
<th>Forecast Variance Month 5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Individual Schools Budget (ISB) (This does not include the £5.534m school balances brought forward from 2014/15)</td>
<td>122,671</td>
<td>122,671</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>150</td>
<td>Early Years Block (including delegated to Schools) (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) (This includes £0.615m brought forward from 2014/15)</td>
<td>10,949</td>
<td>11,201</td>
<td>252</td>
<td>2.3%</td>
</tr>
<tr>
<td>30</td>
<td>High Needs Block (excluding delegated to Schools) (This includes £0.807m underspend brought forward from 2014/15)</td>
<td>18,110</td>
<td>17,853</td>
<td>(257)</td>
<td>-1.4%</td>
</tr>
<tr>
<td>29</td>
<td>Exceptions and Growth Fund (This includes £0.031m underspend brought forward from 2014/15)</td>
<td>5,992</td>
<td>5,982</td>
<td>(10)</td>
<td>-0.2%</td>
</tr>
<tr>
<td>0</td>
<td>Grant Income</td>
<td>(156,269)</td>
<td>(156,269)</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>209</td>
<td>Net DSG Budget</td>
<td>1,453</td>
<td>1,438</td>
<td>(15)</td>
<td>-1.0%</td>
</tr>
</tbody>
</table>

#### Explanation of Key Variances

<table>
<thead>
<tr>
<th>Key Variances £’000</th>
<th>Service</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>252</td>
<td>PVI payments for 3 &amp; 4 year olds</td>
<td>Overspend in payments for 3 &amp; 4 year olds</td>
<td>Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring</td>
</tr>
</tbody>
</table>
### Key Variances £’000

<table>
<thead>
<tr>
<th>Service</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>High Needs Block</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>50</td>
<td>Educational Agency Placements</td>
<td>Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible.</td>
</tr>
<tr>
<td>(307)</td>
<td>Other</td>
<td></td>
</tr>
<tr>
<td></td>
<td>There are a number of underspends in the following areas: 2014/15 underspend carried forward for respite care (£0.080m), unallocated budget (£0.068m), High Needs top-up for Post 16 students (£0.050m), Early Years Advisors (£0.050m), Adult Social Care (ASC) service recruitment (£0.045m), SEN strategy recruitment (£0.035m) and Speech &amp; Language Service staffing (£0.016m). These are partially offset by other miscellaneous overspends of £0.037m.</td>
<td></td>
</tr>
<tr>
<td><strong>Exceptions &amp; Growth Fund</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(10)</td>
<td>Exceptions</td>
<td>Net minor underspend.</td>
</tr>
</tbody>
</table>
# Appendix 1 Revenue Budget Performance

## NHS Trust Managed S75 Budgets – Revenue Budget Summary

<table>
<thead>
<tr>
<th>Forecast Variance Month 2 £’000</th>
<th>S75 Partnership</th>
<th>2015/16 Budget Month 5 £’000</th>
<th>Forecast Outturn Month 5 £’000</th>
<th>Forecast Variance Month 5 £’000</th>
<th>Forecast Variance Month 5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>695</td>
<td>Sussex Partnership Foundation NHS Trust (SPFT)</td>
<td>11,095</td>
<td>11,495</td>
<td>400</td>
<td>3.6%</td>
</tr>
<tr>
<td>-</td>
<td>Sussex Community NHS Trust (SCT)</td>
<td>554</td>
<td>609</td>
<td>55</td>
<td>9.9%</td>
</tr>
<tr>
<td>695</td>
<td>Total Revenue - S75</td>
<td>11,649</td>
<td>12,104</td>
<td>455</td>
<td>3.9%</td>
</tr>
</tbody>
</table>

### Explanation of Key Variances

<table>
<thead>
<tr>
<th>Key Variances £’000</th>
<th>Service Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>400</td>
<td>SPFT-community care mental health &amp; memory cognition, in house services</td>
<td>The pressures of £0.400m are due to:- (1) Pressures brought forward from 2014/15 (0.605m), (2) Net full year effect of 2014/15 packages of care (£0.516m), and (3) In-year pressures on this service are coming from increase in care packages / change in service type (£0.526m: 12.83 WTE), transfers from in-house services (£0.429m: 13.59 WTE), unachieved savings (£0.157m) and other actions, which include growth commitment amendments, non Carefirst transactions and savings achieved (£0.328m). These pressures are being offset by net decrease in demand (£0.273m: 14.47 WTE), improved income (£0.291m), net self-funders (£0.273m), Continuing Care Funding (£0.106m) and CCG Funding to help with the overall S75 position (£0.650m). In addition there have been assumptions made on reviews of packages of care (£0.156m) in 2015/16 to try and mitigate some of the increases already seen in 2015/16. (4) There are underspends on the SPFT staffing budgets of £0.012m.</td>
</tr>
<tr>
<td>Key Variances £’000</td>
<td>Service</td>
<td>Description (Note WTE = Whole Time Equivalent)</td>
</tr>
<tr>
<td>---------------------</td>
<td>---------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(5) Savings of £0.364m have been achieved from 01st April 2015 and is included in the forecast position (6) The pressure of £0.400m is after the assumed contribution from the risk share (50:50) with SPFT of £0.400m.</td>
</tr>
<tr>
<td><strong>Sussex Community NHS Trust (SCT)</strong></td>
<td>55</td>
<td>SCT- Integrated Community Equipment Services</td>
</tr>
</tbody>
</table>
## General Fund

<table>
<thead>
<tr>
<th>Directorate</th>
<th>2015/16 Target £'000</th>
<th>Full Year Effect £'000</th>
<th>2015/16 Achieved £'000</th>
<th>2015/16 Anticipated £'000</th>
<th>2015/16 At Risk £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children's Services</td>
<td>3,966</td>
<td>4,913</td>
<td>1,332</td>
<td>2,354</td>
<td>650</td>
</tr>
<tr>
<td>Adult Services</td>
<td>7,142</td>
<td>8,214</td>
<td>4,298</td>
<td>2,844</td>
<td>0</td>
</tr>
<tr>
<td>Environment, Development &amp; Housing</td>
<td>3,992</td>
<td>5,542</td>
<td>1,698</td>
<td>1,963</td>
<td>332</td>
</tr>
<tr>
<td>Assistant Chief Executive Services</td>
<td>999</td>
<td>1,070</td>
<td>808</td>
<td>191</td>
<td>0</td>
</tr>
<tr>
<td>Public Health</td>
<td>421</td>
<td>421</td>
<td>421</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Finance &amp; Resources &amp; Law</td>
<td>2,301</td>
<td>2,424</td>
<td>349</td>
<td>1,952</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Savings in Directorate budgets</strong></td>
<td><strong>18,821</strong></td>
<td><strong>22,584</strong></td>
<td><strong>8,906</strong></td>
<td><strong>9,304</strong></td>
<td><strong>982</strong></td>
</tr>
<tr>
<td>Tax Base Savings</td>
<td>2,268</td>
<td>2,268</td>
<td>2,268</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Grand Total General Fund Savings</strong></td>
<td><strong>21,089</strong></td>
<td><strong>24,852</strong></td>
<td><strong>11,174</strong></td>
<td><strong>9,304</strong></td>
<td><strong>982</strong></td>
</tr>
</tbody>
</table>

## Housing Revenue Account

<table>
<thead>
<tr>
<th>Directorate</th>
<th>2015/16 Target £'000</th>
<th>Full Year Effect £'000</th>
<th>2015/16 Achieved £'000</th>
<th>2015/16 In Progress £'000</th>
<th>2015/16 At Risk £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environment, Development &amp; Housing</td>
<td>907</td>
<td>907</td>
<td>736</td>
<td>101</td>
<td>70</td>
</tr>
<tr>
<td><strong>Total HRA Savings</strong></td>
<td><strong>907</strong></td>
<td><strong>907</strong></td>
<td><strong>736</strong></td>
<td><strong>101</strong></td>
<td><strong>70</strong></td>
</tr>
</tbody>
</table>
## Children’s Services – Capital Budget Summary

<table>
<thead>
<tr>
<th>Forecast Variance Month 2 £’000</th>
<th>Service Description</th>
<th>2015/16 Budget Month 2 £’000</th>
<th>Reported at other Committees £’000</th>
<th>New Schemes (Appendix 4) £’000</th>
<th>Variation, Slippage/ reprofile £’000</th>
<th>2015/16 Budget Month 5 £’000</th>
<th>Forecast Outturn Month 5 £’000</th>
<th>Forecast Variance Month 5 £’000</th>
<th>Forecast Variance Month 5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Child Health Safeguard and Care</td>
<td>40</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>40</td>
<td>40</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Education and Inclusion</td>
<td>24,856</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>24,856</td>
<td>24,856</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>SEN &amp; Disability</td>
<td>60</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>60</td>
<td>60</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Schools</td>
<td>681</td>
<td>0</td>
<td>54</td>
<td>0</td>
<td>735</td>
<td>735</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Stronger Families Youth &amp; Communities</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Total Children’s Services</td>
<td>25,637</td>
<td>0</td>
<td>54</td>
<td>0</td>
<td>25,691</td>
<td>25,691</td>
<td>0</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Detail Type</th>
<th>£’000</th>
<th>Project</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children’s Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No changes to report</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Adult Services – Capital Budget Summary

<table>
<thead>
<tr>
<th>Forecast Variance Month 2 £’000</th>
<th>Service</th>
<th>2015/16 Budget Month 2 £’000</th>
<th>Reported at other Committees £’000</th>
<th>New Schemes (Appendix 4) £’000</th>
<th>Variation, Slippage/ reprofile £’000</th>
<th>2015/16 Budget Month 5 £’000</th>
<th>Forecast Outturn Month 5 £’000</th>
<th>Forecast Variance Month 5 £’000</th>
<th>Forecast Variance Month 5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Adults Assessment</td>
<td>488</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>488</td>
<td>488</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Adults Provider</td>
<td>27</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>27</td>
<td>27</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Commissioning and Contracts</td>
<td>53</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>53</td>
<td>53</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Total Adult Services</td>
<td>568</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>568</td>
<td>568</td>
<td>0</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Detail Type</th>
<th>£’000</th>
<th>Project</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No changes to report</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Environment, Development & Housing (General Fund) – Capital Budget Summary

<table>
<thead>
<tr>
<th>Forecast Variance Month 2 £'000</th>
<th>Service</th>
<th>2015/16 Budget Month 2 £'000</th>
<th>Reported at other Committees £'000</th>
<th>New Schemes (Appendix4) £'000</th>
<th>Variation, Slippage/ reprofile £'000</th>
<th>2015/16 Budget Month 5 £'000</th>
<th>Forecast Outturn Month 5 £'000</th>
<th>Forecast Variance Month 5 £'000</th>
<th>Forecast Variance Month 5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>City Infrastructure</td>
<td>2,547</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2,547</td>
<td>2,547</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>City Regeneration</td>
<td>23,658</td>
<td>0</td>
<td>0</td>
<td>139</td>
<td>23,797</td>
<td>23,797</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Planning &amp; Building Control</td>
<td>310</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>310</td>
<td>310</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Transport</td>
<td>9,393</td>
<td>0</td>
<td>0</td>
<td>112</td>
<td>9,505</td>
<td>9,505</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>700</td>
<td>Housing GF</td>
<td>4,297</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>4,297</td>
<td>4,869</td>
<td>572</td>
<td>13.3%</td>
</tr>
<tr>
<td>700</td>
<td>Total ED&amp;H</td>
<td>40,205</td>
<td>0</td>
<td>0</td>
<td>251</td>
<td>40,456</td>
<td>41,028</td>
<td>572</td>
<td>1.4%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Detail Type</th>
<th>£'000</th>
<th>Project</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Regeneration</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Variation</td>
<td>99</td>
<td>Various Major Projects</td>
<td>This relates to a requirement for funding major projects to be funded from unallocated Strategic Investment Funds available and approved at Budget Council. This funding will be added to existing budgets for the development element of the i360 Seafront Landscaping project (£0.029m) for commissioning design work and preparation for tendering; and the Royal Pavilion Estate (£0.070m) primarily to support joint working with Brighton Dome &amp; Festival for the capital works.</td>
<td></td>
</tr>
<tr>
<td>Variation</td>
<td>40</td>
<td>Brighton Digital Exchange</td>
<td>Variation to budget of less than £0.050m.</td>
<td></td>
</tr>
<tr>
<td>Transport</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Variation</td>
<td>112</td>
<td>Access to SDNP – Ditchling Road</td>
<td>Grant awarded in February 2015 however 2015/16 allocation not included in capital budget report.</td>
<td></td>
</tr>
<tr>
<td>Detail Type</td>
<td>£’000</td>
<td>Project</td>
<td>Description</td>
<td>Mitigation Strategy</td>
</tr>
<tr>
<td>-------------</td>
<td>-------</td>
<td>----------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Housing GF</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overspend</td>
<td>572</td>
<td>Disabled</td>
<td>The Disabled Facilities Grant funding for 2015/16 is £0.911m. An overspend of £0.367m for last financial year (2014/15) was reported to Policy &amp; Resources on 11 June 2015 and is being funded from the 2015/16 grant. This leaves a budget of £0.544m for 2015/16. Committed expenditure (less estimates for income from other sources) is estimated to be £1.116m, leading to a forecast overspend of £0.572m in 2015/16 (previously reported as a £0.400m overspend at TBM month 2). A 3-year recovery plan to reduce costs and increase funding through Adult Social Care/Public Health is being implemented to achieve an overall break-even position by 2016/17.</td>
<td>If budgets and demand remain at the current levels then implementation of the measures outlined in the report to Housing &amp; New Homes Committee will still leave significant pressures in 2016/17 unless further mitigation measures can be identified or additional funding identified. Progress of the agreed recovery plan will continue to be closely monitored during the year. In addition, the focus on a housing solutions preventative approach will continue to help manage demand for re-active adaptations through making best use of new and existing homes.</td>
</tr>
</tbody>
</table>
### Environment, Development & Housing (Housing Revenue Account) – Capital Budget Summary

<table>
<thead>
<tr>
<th>Forecast Variance Month 2</th>
<th>Service</th>
<th>2015/16 Budget Month 2 £'000</th>
<th>Reported at other Committees £'000</th>
<th>New Schemes (Appendix 4) £'000</th>
<th>Variation, Slippage/reprofile £'000</th>
<th>2015/16 Budget Month 5 £'000</th>
<th>Forecast Outturn Month 5 £'000</th>
<th>Forecast Variance Month 5 £'000</th>
<th>Forecast Variance Month 5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>City Regeneration</td>
<td>15,471</td>
<td>1,000</td>
<td>0</td>
<td>0</td>
<td>16,471</td>
<td>17,042</td>
<td>571</td>
<td>3.5%</td>
</tr>
<tr>
<td>(64)</td>
<td>Housing HRA</td>
<td>33,584</td>
<td>0</td>
<td>0</td>
<td>(2,995)</td>
<td>30,589</td>
<td>30,462</td>
<td>(127)</td>
<td>-0.4%</td>
</tr>
<tr>
<td>(64)</td>
<td>Total Environment, Development and Housing HRA</td>
<td>49,055</td>
<td>1,000</td>
<td>0</td>
<td>(2,995)</td>
<td>47,060</td>
<td>47,504</td>
<td>444</td>
<td>0.9%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Detail Type</th>
<th>£'000</th>
<th>Project</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Regeneration</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reported to Other Committee</td>
<td>1,000</td>
<td>Whitehawk (Findon Road) Development</td>
<td>Reported to Policy and Resources Committee 9\textsuperscript{th} July 2015. The final scheme cost under the Agreed Maximum Price exceeds the initial estimate. This is mainly due to logistical requirements of this constrained site and related sequence/timescale of works. There is also a fee for a Hoarding License and a change from plastic to copper pipework. Value engineering has been undertaken to minimise costs. Increased costs will be met from underspends identified in the 2015/16 HRA Capital Programme or HRA reserves.</td>
</tr>
<tr>
<td>Overspend</td>
<td>100</td>
<td>Ardingly Street</td>
<td></td>
</tr>
<tr>
<td>Overspend</td>
<td>456</td>
<td>Manor Place</td>
<td>Increase in scheme budget primarily due to decontamination of the communal gardens at Robert Lodge and associated works. Build cost has increased due to construction inflation and Increased costs will be met from underspends identified in the 2015/16 HRA Capital Programme or HRA reserves.</td>
</tr>
</tbody>
</table>
### Appendix 3 – Capital Programme Performance

<table>
<thead>
<tr>
<th>Detail Type</th>
<th>£’000</th>
<th>Project</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overspend</td>
<td>15</td>
<td>Preston Road Refurbishments</td>
<td>Overspend of less than £0.050m.</td>
<td></td>
</tr>
<tr>
<td>Housing HRA</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reprofile</td>
<td>(1,731)</td>
<td>Lift Replacement Programme</td>
<td>The Bristol Estate lifts have been delayed due to representations from leaseholders who have sought assurance that the works are necessary. They were not satisfied with the original reports commissioned in 2008 and so a new report was commissioned and received in July 2015. The most recent consultation ends on 15(^{th}) September. As there are still some concerns from leaseholders to be addressed and the procurement lead time is a minimum of 13 weeks, following an official order for the works, the plan now is to postpone the start of the lift replacements on the Bristol Estate until April 2016. The lift replacements at North Whitehawk are commencing September 2015 with Falcon Court and Swallow Court (42 weeks each concurrently). The remaining three blocks (Kingfisher Court and Heron Court 40 weeks, Kestrel Court 44 weeks) will commence concurrently early in 2016 (Jan/Feb). These projects will therefore span two financial years. The lift motor rooms at Clarendon Estate need to be improved prior to the lift replacements at the 5 blocks. £0.250m has been allocated from the lift budget for this financial year.</td>
<td>Estimated completion date for individual lift replacements revised but still within the timescale of the overall programme</td>
</tr>
<tr>
<td>Reprofile</td>
<td>(1,044)</td>
<td>Structural Repairs</td>
<td>The Albion Hill project will start once detailed design work and leaseholder consultation has taken place and the works are expected to last 35 weeks. This will result in the need to reprofile</td>
<td></td>
</tr>
<tr>
<td>Detail Type</td>
<td>£’000</td>
<td>Project</td>
<td>Description</td>
<td>Mitigation Strategy</td>
</tr>
<tr>
<td>-------------</td>
<td>-------</td>
<td>---------</td>
<td>-------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>Reprofile</td>
<td>(100)</td>
<td>Communal Heating Budget</td>
<td>£0.100m which was earmarked for detailed design of heat networks (subject to business plan and delivery method approval) during 2015/16. However, the Heat Network specialist studies are unlikely to be completed in time to allow this to take place in 2015/16. Therefore it is requested that this amount is moved to 2016/17 financial year, ready for detailed design, when required.</td>
<td>No adverse impact on residents identified at this time.</td>
</tr>
<tr>
<td>Slippage</td>
<td>(120)</td>
<td>Conversion of spaces in existing buildings</td>
<td>An amount of £0.120m, which has been set aside (in the conversions budget) for conversion works at Normanhurst, is being requested to be re-profiled from the 2015/16 financial year into the 2016/17 financial year. The need to re-profile this sum of money has become necessary due to pre-construction works taking longer than anticipated (architects' plans, planning, community consultation, asbestos removal etc.) It is certain that the amount will not be completely spent before the end of the financial year, though contractors and builders will be onsite before the end of the financial year.</td>
<td>There is no alternative strategy other than to re-profile this sum of money. No adverse impacts are anticipated on residents as a result of this slippage. The contract will continue to be closely monitored to make sure key project milestones are met.</td>
</tr>
<tr>
<td>Variation</td>
<td>(350)</td>
<td>Repairs Partnership Contract Establishment Charges</td>
<td>A review of the charges split between the HRA capital and revenue budgets for the Repairs Partnership contract establishment costs has identified an overprovision of budget for the capital element. This overprovision included differences between estimations used such as inflationary increases when setting the budget. It is requested that this funding is used for the emergency works at Albion Hill identified under the Structural Repairs Programme in this report.</td>
<td>All charges relating to the Contract establishment for 2015/16 will be met by the remaining budget.</td>
</tr>
<tr>
<td>Detail Type</td>
<td>£’000</td>
<td>Project</td>
<td>Description</td>
<td>Mitigation Strategy</td>
</tr>
<tr>
<td>------------</td>
<td>-------</td>
<td>--------------------------</td>
<td>----------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Variation</td>
<td>(101)</td>
<td>Insulation</td>
<td>To date only a minimal amount has been spent on elements not covered by the Government’s Energy Company Obligation scheme (ECO). This underspend is to be transferred to the Albion Hill project.</td>
<td>No adverse impact is anticipated on residents.</td>
</tr>
<tr>
<td>Variation</td>
<td>(106)</td>
<td>Cladding</td>
<td>Cladding components have been postponed and transferred to structural repairs budget to finance the Albion Hill project.</td>
<td>This work is not a priority, cladding proposals to the block were deemed as improvements as opposed to essential works. No adverse impact is anticipated on residents.</td>
</tr>
<tr>
<td>Variation</td>
<td>(257)</td>
<td>Roofing</td>
<td>Roofing component of postponed projects transferred to structural repairs budget to finance the Albion Hill project.</td>
<td>These roofing works were identified as ‘planned preventative maintenance’. As the roofs are not yet at the end of their useful life, works can be placed into subsequent / future programmes. No adverse impact on residents.</td>
</tr>
<tr>
<td>Variation</td>
<td>(70)</td>
<td>City Wide Loft Conversions &amp; Extensions</td>
<td>The number of empty properties identified to date, and the number likely to become available, is insufficient to deplete the entire budget. This underspend will be transferred to Albion Hill. (Previously reported as a £0.520m underspend at TBM2)</td>
<td>This budget operates on a reactive basis responding to families in need. Insufficient budget use suggests that fewer families have been identified as being in need of works, so no negative impact is expected.</td>
</tr>
<tr>
<td>Variation</td>
<td>(50)</td>
<td>Internal Decoration &amp; Repair</td>
<td>Money transferred to support the Warwick Mt project; Main Entrance Door (MED) and Door Entry System (DES).</td>
<td>No negative impact. Positive impact on residents. Money has been transferred from planned budget. A commitment has previously been made to residents to replace the main entrance door in view of anti-social behaviour security issues at Warwick Mount.</td>
</tr>
<tr>
<td>Variation</td>
<td>(39)</td>
<td>Windows</td>
<td>Windows component of postponed Highden, Park Court and West Mount projects transferred to structural repairs budget to finance the Albion Hill project</td>
<td>Window replacements were identified as planned preventative maintenance. The windows are not yet at the end of their useful life so can be placed into future capital programmes. No adverse impact.</td>
</tr>
</tbody>
</table>
## Appendix 3 – Capital Programme Performance

<table>
<thead>
<tr>
<th>Detail Type</th>
<th>£’000</th>
<th>Project</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variation</td>
<td>715</td>
<td>Structural Repairs</td>
<td>Money transferred from postponed projects and other accumulated underspends will contribute towards the emergency works identified at Albion Hill.</td>
<td>Albion Hill is in need of essential Health &amp; Safety repairs required urgently following concerns around the structural stability of the balconies on the estate. This will take precedence over all other planned (non-essential) works. If works not carried out there would be a potential adverse impact on residents.</td>
</tr>
<tr>
<td>Variation</td>
<td>208</td>
<td>Converting Spaces in Existing Building</td>
<td>Transfer of Budget from Structural repairs to align with budget holder responsibility. No change of use from original Policy &amp; Resources committee decision.</td>
<td>No impact to residents as this to realign budgets with budget holder responsibility.</td>
</tr>
<tr>
<td>Variation</td>
<td>32</td>
<td>Door Entry Systems</td>
<td>Money transferred to support the Warwick Mt project.</td>
<td>No negative impact. Positive impact on residents. Money has been transferred from planned budget. A commitment has previously been made to residents to replace the main entrance door in view of anti-social behaviour security issues at Warwick Mount.</td>
</tr>
<tr>
<td>Variation</td>
<td>18</td>
<td>Main Entrance Doors</td>
<td>Money transferred to support the Warwick Mt project.</td>
<td>No negative impact. Positive impact on residents. Money has been transferred from planned budget. A commitment has previously been made to residents to replace the main entrance door in view of anti-social behaviour security issues at Warwick Mount.</td>
</tr>
<tr>
<td>Overspend</td>
<td>14</td>
<td>Various</td>
<td>Overspends of less than £0.050m: Block Conversions £0.014m.</td>
<td></td>
</tr>
<tr>
<td>Underspend</td>
<td>(141)</td>
<td>Various</td>
<td>Underspends of less than £0.050m: BHCC Projects (£0.035m), City College Partnership (£0.036m), Portslade Police Station (£0.044m),</td>
<td></td>
</tr>
</tbody>
</table>
### Appendix 3 – Capital Programme Performance

<table>
<thead>
<tr>
<th>Detail Type</th>
<th>£'000</th>
<th>Project</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Cycling Facilities (£0.026m)</td>
<td></td>
</tr>
</tbody>
</table>
## Assistant Chief Executive - Capital Budget Summary

<table>
<thead>
<tr>
<th>Forecast Variance Month 2 £'000</th>
<th>Service</th>
<th>2015/16 Budget Month 2 £'000</th>
<th>Reported at other Committees £'000</th>
<th>New Schemes (Appendix 4) £'000</th>
<th>Variation, Slippage / reprofile £'000</th>
<th>2015/16 Budget Month 5 £'000</th>
<th>Forecast Outturn Month 5 £'000</th>
<th>Forecast Variance Month 5 £'000</th>
<th>Forecast Variance Month 5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Corporate Policy Performance &amp; Communities</td>
<td>82</td>
<td>0</td>
<td>0</td>
<td>(82)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Royal Pavilion Arts &amp; Museums</td>
<td>1,031</td>
<td>0</td>
<td>210</td>
<td>0</td>
<td>1,241</td>
<td>1,241</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Sports &amp; Leisure</td>
<td>2,381</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2,381</td>
<td>2,362</td>
<td>(19)</td>
<td>-0.8%</td>
</tr>
<tr>
<td>0</td>
<td>Libraries</td>
<td>65</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>65</td>
<td>65</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Tourism &amp; Venues</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Total Assistant Chief Executive</td>
<td>3,559</td>
<td>0</td>
<td>210</td>
<td>(82)</td>
<td>3,687</td>
<td>3,668</td>
<td>(19)</td>
<td>-0.5%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Detail Type</th>
<th>£’000</th>
<th>Project</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Policy Performance &amp; Communities</td>
<td></td>
<td></td>
<td><strong>Variation (82)</strong> Voluntary &amp; Community Projects</td>
<td>The capital receipt of £0.082m will contribute to the fit out costs of Hove Town Hall for the Multi Agency &amp; Advice Hub. This budget will be transferred to Property Services. This project was approved at P&amp;R 11th June 2015.</td>
</tr>
<tr>
<td>Sports &amp; Leisure</td>
<td></td>
<td></td>
<td><strong>Underspend (19)</strong> West Pier Arches fit out</td>
<td>Underspend of less than £0.050m.</td>
</tr>
</tbody>
</table>
Public Health – Capital Budget Summary

<table>
<thead>
<tr>
<th>Forecast Variance Month 2 £'000</th>
<th>Service</th>
<th>2015/16 Budget Month 2 £'000</th>
<th>Reported at other Committees £'000</th>
<th>New Schemes (Appendix4) £'000</th>
<th>Variation, Slippage / reprofile £'000</th>
<th>2015/16 Budget Month 5 £'000</th>
<th>Forecast Outturn Month 5 £'000</th>
<th>Forecast Variance Month 5 £'000</th>
<th>Forecast Variance Month 5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Public Health</td>
<td>345</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>345</td>
<td>345</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Public Protection</td>
<td>78</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>78</td>
<td>78</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Total Public Health</td>
<td>423</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>423</td>
<td>423</td>
<td>0</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Detail Type</th>
<th>£'000</th>
<th>Project</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Health</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No changes to report</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Finance, Resources and Law - Capital Budget Summary

<table>
<thead>
<tr>
<th>Forecast Variance Month 2 £'000</th>
<th>Service</th>
<th>2015/16 Budget Month 2 £'000</th>
<th>Reported at other Committees £'000</th>
<th>New Schemes (Appendix4) £'000</th>
<th>Variation, Slippage / reprofile £'000</th>
<th>2015/16 Budget Month 5 £'000</th>
<th>Forecast Outturn Month 5 £'000</th>
<th>Forecast Variance Month 5 £'000</th>
<th>Forecast Variance Month 5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>City Services</td>
<td>59</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>59</td>
<td>59</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Finance</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>HR Organisational Development</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>ICT</td>
<td>3,337</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3,337</td>
<td>3,337</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Performance Improvement &amp; Programmes</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Property &amp; Design</td>
<td>16,309</td>
<td>0</td>
<td>0</td>
<td>82</td>
<td>16,391</td>
<td>16,391</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Total Finance, Resources and Law</td>
<td>19,705</td>
<td>0</td>
<td>0</td>
<td>82</td>
<td>19,787</td>
<td>19,787</td>
<td>0</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Detail Type</th>
<th>£'000</th>
<th>Project Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property and Design</td>
<td></td>
<td>Hove Town Hall – Great Hall fit out (Multi Agency Hub)</td>
<td>The capital receipt of £0.082m from the Mayoral number plate will contribute to the fit out cost of the space, to establish the Multi Agency &amp; Advice Hub and make it service ready. This budget will be transferred from Corporate Policy, Performance &amp; Communities and added to the budget for this project. This project was approved at P&amp;R 11th June 2015.</td>
</tr>
</tbody>
</table>
## Corporate Services - Capital Budget Summary

<table>
<thead>
<tr>
<th>Forecast Variance Month 2 £'000</th>
<th>Service</th>
<th>2015/16 Budget Month 2 £'000</th>
<th>Reported at other Committees £'000</th>
<th>New Schemes (Appendix4) £'000</th>
<th>Variation, Slippage / reprofile £'000</th>
<th>2015/16 Budget Month 5 £'000</th>
<th>Forecast Outturn Month 5 £'000</th>
<th>Forecast Variance Month 5 £'000</th>
<th>Forecast Variance Month 5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Corporate Services</td>
<td>25</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>25</td>
<td>25</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>0</td>
<td>Total Corporate Services</td>
<td>25</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>25</td>
<td>25</td>
<td>0</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Detail Type</th>
<th>£'000</th>
<th>Project</th>
<th>Description</th>
<th>Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No changes to report</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**New Capital Project Approval Request**

<table>
<thead>
<tr>
<th>Unit:</th>
<th>Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project title:</td>
<td>Dorothy Stringer Minibus replacements</td>
</tr>
<tr>
<td>Total Project Cost (All Years):</td>
<td>£54,000</td>
</tr>
</tbody>
</table>

**Purpose, benefits and risks:**
To provide funds for the purchase of two minibuses (one wheelchair accessible) to replace buses which have reached the end of their useful life and are costing more to maintain than their value.

<table>
<thead>
<tr>
<th>Capital expenditure profile (£’000):</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year</td>
</tr>
<tr>
<td>Unsupported Borrowing</td>
</tr>
<tr>
<td>Total estimated costs and fees</td>
</tr>
</tbody>
</table>

**Financial implications:**
The capital expenditure will be funded through unsupported borrowing and repaid within the asset's lifetime by the loan repayments charged to the school over 5 years. The school’s outturn forecast has been reviewed and it shows that the school will be able to afford the loan repayments, and any other associated costs, from their revenue budget in 2015/16 and will have a healthy carried forward balance enabling them to afford loan repayments and associated costs in 2016/17. The school has provided finance with a three year budget plan which shows a surplus at the end of 2015/16 - increasing in 2016/17 and again in 2017/18 which would suggest that they will be able to afford loan repayments and any associated costs in each of the three years of the plan. The school has a history of good and accurate budget setting and monitoring. It is expected that they will be able to afford the proposed repayments over the five year period of the loan.
### New Capital Project Approval Request

<table>
<thead>
<tr>
<th>Unit:</th>
<th>Royal Pavilion &amp; Museums</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project title:</td>
<td>Museum Resilience Arts Council Grant</td>
</tr>
<tr>
<td>Total Project Cost (All Years):</td>
<td>£210,000</td>
</tr>
</tbody>
</table>

**Purpose, benefits and risks:**

Royal Pavilion & Museums have been provided with a restricted grant of up to £0.210m from Arts Council England to fund the purchase of capital assets by a number of accredited museums or museums formally working towards accreditation in our region to help the selected museums increase their resilience for the period 11 September 2015 to 31 March 2016. Brighton & Hove will be the accountable body for the grant funding and will ensure that the programme is managed in line with the Arts Council funding conditions.

### Capital expenditure profile (£’000):

<table>
<thead>
<tr>
<th>Year</th>
<th>This Year</th>
<th>Next Year</th>
<th>Year After</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant (Arts Council England)</td>
<td></td>
<td>210</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total estimated costs and fees</td>
<td></td>
<td></td>
<td>210</td>
<td></td>
</tr>
</tbody>
</table>

**Financial implications:**

Arts Council England have confirmed the grant funding available of up to £0.210m for 2015/16. Brighton & Hove are the accountable body for the funding and the co-ordination of the grant funding programme will be met from within existing staffing resources.
FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 The purpose of this report is to provide information setting out the case for the introduction of charging for pre-application advice. The report details the two phased approach which will enable the Local Planning Authority (LPA) to commence immediately with one-off bespoke negotiations for Planning Performance Agreements (PPAs) to cover the costs of pre-application advice and enhanced performance when dealing with major schemes. The report also seeks authority to proceed with the procurement and subsequent award of a contract to our selected bidder for the provision of multidisciplinary design advice for LPA.

2. RECOMMENDATIONS:

That the Committee:

2.1 Agree to the two stage phased approach to the introduction of charges for pre-application advice as set out in paragraphs 3.11 and 3.12.

2.2 Grants delegated authority to the Executive Director Environment, Development & Housing to negotiate the terms of bespoke, cost neutral PPAs on major development schemes as part of a pre-application advice service.

2.3 Grants delegated authority to the Executive Director Environment, Development & Housing to proceed with the procurement and subsequent award of a contract to provide cost neutral, multidisciplinary expert design review advice to the LPA.

3. CONTEXT/BACKGROUND INFORMATION

3.1 Charging for pre-application planning advice is now best practice for English planning authorities. The debate is not new. Since The Killian Pretty Review
(November 2008) noted the need to improve this “critically important” stage in the planning process most English authorities have introduced charges to cover costs to support and ensure a good quality service. As part of this many authorities have also introduced a bespoke approach for major schemes called Planning Performance Agreements (PPA)’s.

3.2 A PPA is essentially a project management tool which sets timescales for actions between the local planning authority and an applicant. It should cover pre-application and application stages but may also extend through to the post-application stage.

3.3 The widely acknowledged benefits of charging for a pre-application service include a reduction in the number of refused applications, less speculative applications and an improvement in the quality of schemes coming forward. The National Planning Policy Framework (NPPF) places particular emphasis on the need for good quality Design Review advice.

3.4 The Local Government Act 2003 (s93 Part 8, Chapter 1 – Power to Charge for Discretionary Services) gives Local Planning Authorities the discretionary authority to charge for pre-application advice as a service. The income raised must not exceed the cost of providing the service.

3.5 B&HCC currently has a free pre-application advice service for all types of planning applications. This service has been free since its introduction. Costs have been absorbed by the service as a subsidy to the development industry and our residents. There was an aspiration to introduce charges as best practice in 2009, however, with the advent of the economic downturn, the Local Planning Authority introduced a package of measures to support economic recovery in 2010.

3.6 One of the measures was an agreement not to introduce charges for pre-application advice.

3.7 Those measures which had unanimous cross party support remained in place between late 2010 and early 2015 (i.e a four and a half year period). See EDC report 15/01/2015.

3.8 During that time the service has delivered savings and continued to offer advice free of charge. Recently (22 July 2015) the service stopped offering pre-application advice for everything other than major schemes. That decision was made by the LPA due to the increase in the numbers of applications per case officer, the need to focus on achieving statutory performance targets and the need to continue to achieve the Planning Guarantee (See Appendix 1).

3.9 Major Schemes continue to receive advice in acknowledgement of the significant positive economic and qualitative benefits of continued engagement with the LPA. Schemes where we have a partnership approach, with the involvement of Councillors and full public engagement result in better development on the ground.

3.10 As part of pre-application advice Design Review currently takes place on an ad hoc basis. Applicants can choose the Design Review supplier and pay the
supplier directly. In Brighton & Hove applicants have tended to use two established suppliers: CABE at the Design Council and Design South East. Nationally, there are a number of suppliers available. Advice provided is not always tailored to the requirements of the LPA, focused on the strategic development objectives in our City Plan or set up in a way that allows the LPA to cover its costs. This is not a satisfactory, efficient or a consistent way to receive design feedback. Therefore we need to put in place the mechanism that will enable the LPA to access multidisciplinary design experts to provide advice that meets the requirements of the LPA.

Proposed Approach

3.11 In the immediate future it is our intention to follow the two phased approach. Phase 1 is to negotiate immediately bespoke one-off Planning Performance Agreements for all major schemes to cover the costs being incurred now. In parallel, we also intend to procure a contract with one supplier who will be able to support the needs of the LPA with quality design advice whilst enabling the LPA to cover costs. The intended contract duration is two years with an option to extend for one year. The expected contract start date is currently 31.03.2016. Some background information is contained at Appendix 2

3.12 Phase 2 is to identify a timeframe for the introduction of pre-application charges for all types of development. It is our intention to develop the framework in accordance with best practice as set out in the report jointly prepared by the Local Government Association (LGA) and the British Property Federation (BPF), entitled “10 commitments for effective pre-application engagement”. A full set of charges together with a timeframe for implementation will be reported initially to the ED&H Modernisation Board with a view to seeking agreement from Policy & Resources Committee at the earliest in January 2016.

3.13 It should be noted that in addition to the formal feedback through the workshops there is anecdotal feedback from the Development Industry that the introduction of charges will be supported. In terms of the negotiation of bespoke PPA’s there are already developers waiting to sign and agree PPA’s

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The current option which is recommended is a two phase approach which introduces an element of cost recovery for the service we can offer today and allows for a second phase of introduction once the service has developed a sound timetable for introduction based on achieving improvements to the statutory part of the service, identifying resources to offer a full pre-application service and further streamlining.

4.2 Alternative Option 1: is for the service to consider the do nothing option and continue to offer pre-application advice on major schemes free of charge. That option results in direct costs to the LPA for these discretionary services. The finance subsidy is not available to support this approach.

4.2 Alternative Option 2: Withdraw completely from offering pre-application advice for major schemes and focus solely on determining all on hand applications. This option has a cost neutral impact but would result in major schemes coming
forward without the support of the LPA and potentially without feedback from Councillors and it may result in significant numbers of refusal of major applications and a failure to meet the Planning Guarantee for major applications.

4.3 Alternative Option 3: Launch a full set of charges immediately for all types of applications. This option is unrealistic today and would result in the removal of significant resources currently dedicated to determining live planning applications.

5. COMMUNITY ENGAGEMENT & CONSULTATION

External – Workshops

5.1 Two workshops jointly organised by B&HCC in conjunction with our Professional Planning Forum took place in December 2014. The cross party Planning Committee Member Working Group, Officers and the Chair of the Forum jointly agreed the need for the consultation.

5.2 The Chair of the Forum, Liam Russell, jointly managed the workshops with us. Participants included: Architects, Planning Professionals and Surveyors. Officers of the council from within the Local Planning Authority and those who comment on planning applications and council lawyers also attended. There was strong attendance from Councillors including the Chair of Planning Committee also attended.

5.3 The workshops were topic based and part of our customer engagement programme to improve the quality of our service

• Workshop 1 – Planning process (including pre-application advice)
• Workshop 2 – Design

5.4 Feedback from the workshops demonstrated strong and positive support for the introduction of charges for our pre-application advice service and for the introduction of a design review to support improvements to the quality of submissions.

5.5 There was an overall consensus that the introduction of charges would act to support a more professional and business like approach to advice and that it will be important to set the limits of the service and a framework for the advice through either a PPA or a flat charge.

Internal – Workshops

5.6 Internal discussions have taken place with those services areas which support the Development Management Team through expert advice as part of the determination of planning applications and who have experience of submission of applications for design review.

5.7 There is unanimous internal support for the recovery of costs as part of charging for pre-application advice and for the introduction of a more managed approach
6. CONCLUSION

6.1 The proposed two phased approach is considered to be the most appropriate way for bringing forward mechanisms for the introduction of charges for pre-application advice given the current service context.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The proposed charges will be subject to the council’s Corporate Fees and Charges Policy. The Corporate Fees and Charges Policy addresses the requirement for a more corporate approach to the issue of fees and charges and provides a clear policy framework within which to conduct annual or other reviews of fees and charges. Fundamentally, the policy aims to increase the proportion of income contributed by users of services where appropriate, rather than the cost being met from the general Council Tax payer. As a minimum, charges will be reviewed annually as part of the budget and service planning process.

7.2 A Local Planning Authority has the power to charge for the proposed services under Section 93 of the Local Government Act 2003. Under this legislation, taking one financial year with another, the income and charges should not exceed the cost of provision. The level of fees will therefore be set based on this requirement and regularly reviewed to ensure compliance.

7.3 The introduction of the proposed charges was approved as a budget saving proposal for the 2015-16 financial year onwards. The achievement of these savings proposals is therefore dependant on the successful introduction of the proposed charges. Any variation between the estimated budget saving and the actual financial implications will be monitored and reported as part of the monthly budget monitoring process.

7.4 The recommended procurement process will be subject to compliance with the council’s Contract Standing Orders and Financial Regulations to ensure the achievement of value of money. The cost of the quality design advice contract is estimated to be £0.100m per year and will be charged on a case by case basis. It is anticipated that the costs will be recovered by the charges to service users through the Planning Performance Agreement and therefore be cost neutral to the council.

Finance Officer Consulted: Sue Chapman  Date: 23/09/2015

Legal Implications:

7.5 As referred to in the body of the report, the legislative power to charge for pre-application advice, a discretionary service, is contained in s93 of the Local
Government Act 2003. In exercising the power an authority has a duty to ensure, taking one financial year with another, that income does not exceed the costs of providing the service.

No adverse human rights implications arise from the report.

**Lawyer Consulted:** Hilary Woodward  
**Date:** 15/9/15

**Equalities Implications:**

7.6 No specific equalities implications. Pre-application advice is offered on a without prejudice basis and operates within the constraints of the Development Plan. Equalities matters can be material consideration and are taken into consideration as part of the assessment of pre-application advice and the determination of planning applications in accordance with adopted policies and the Council’s statutory duties and in response to matters raised through public consultation.

**Sustainability Implications:**

7.7 The opportunity to influence built development through achieving quality design advice and pre-application advice will ensure the sustainability can be considered as early as the design concept stage.

**Crime & Disorder Implications:**

7.8 Good quality pre-application advice on major schemes and design advice supports the overall objective of designing out crime and creating safe, healthy urban environments.

**Risk and Opportunity Management Implications:**

7.9 There are positive benefits and opportunities related to the delivery of good quality built environments. This supports economic activity in the City, health and wellbeing and can have positive impacts through designing out crime. The ability to participate in pre-application discussions on major schemes and offer advice at no cost to the Local Planning Authority would represent a lost opportunity if it were not to happen.

**Public Health Implications:**

7.10 Good quality pre-application advice on major schemes and design advice supports the overall objective of designing our crime and creating safe, healthy urban environments

**Corporate / Citywide Implications:**

7.11 A comprehensive approach to pre-application advice and design review before planning applications are submitted ensures that the development strategy set out in the City Plan (part 1) is delivered. The City Plan supports corporate plan priorities on delivery of economy jobs & homes. Creating environmentally
sustainable built development and support the creating of sustainable communities.
SUPPORTING DOCUMENTATION

Appendices

1. Planning Guarantee

2. Background information about the Invitation To Tender for Design Advice

Documents in Members’ Rooms

None

Background Documents

1. 10 commitments for effective pre-application engagement
   Local Government Association and British Property Federation

2. Planning Performance and Improvement – the changing landscape
   Planning Advisory service

   Planning Advisory Service, April 2015

4. Farrell Review of Architecture and the Built Environment
**PLANNING GUARANTEE**

s62A of the Town and Country Planning Act 1990 allows for certain applications to be made directly to the Secretary of State for Communities and Local Government where the LPA for the area has been *designated*. The law requires that the criteria are published by the SoS. The criteria have been published.

The totality of the criteria are known as the Planning Guarantee. The Planning Guarantee has two aspects to achieving it. The Guarantee relates to major applications only at the moment. Government have indicated that it will refer to minor and other types of applications in the future.

1. Speed of decision making on major applications
2. Extent to which such decisions are overturned at appeal – Quality Indicator (much more complex to calculate)

**Criteria 1 – Speed**
The assessment period is 24 months up to and including the date of the quarterly return.
– the LPA returns this data.
Minimum performance threshold for speed of decisions on major applications is 50%.
B&HCC performance is to March 2015: 68%

**Criteria 2 – Quality Indicator**
The assessment period is 24 months up to and including the date of the quarterly return
– the Planning Inspectorate (PINS) returns this data to government
Minimum performance threshold is 20% or more of an authority’s decisions on applications for major development overturned at appeal

B&HCC performance is to end of March 2015: 3%

**Designation**
If and LPA is designated (i.e. fails to achieve the Planning Guarantee for major applications – the Secretary of State can identify all major applications to be determined by PINS. If this happens the LPA will continue to pay the cost of determination but the total fee goes to PINS.

A LPA can be designated only if it fails to achieve the Planning Guarantee. The Planning Guarantee is set to change over time. Government have signalled that the threshold for speed and the indicator for quality will become more challenging in the future.
There are further performance indicators for the Development Management planning service which relate to minor applications, other applications and all appeals. These do not form part of the Planning Guarantee.
Appendix 2

Background information about the Invitation To Tender for Design Advice

The purpose of this ITT is to obtain professional, properly defined and priced propositions and solutions for the provision of a bespoke Design/PLACE support service for Brighton & Hove City Council. The council is looking for support with design advice and improving design skills. The information provided in the specification will help your organisation to evaluate your suitability for the Council’s specific requirements.

Overview of Requirements

The 2012 NPPF urges local planning authorities to make local design review available ‘to provide assessment and support to ensure high standards of design’ (p 62, DCLG). The 2014 Farrell Review suggests that to achieve the best outcomes, reviews should be multi-disciplinary involving professionals with skills in the core areas of Planning, Landscape, Architecture, Conservation and Engineering (PLACE).

As part of the council’s drive for greater efficiency, the Planning team has been asked to improve service provision while identifying opportunities to cover costs of activities delivered across the service. A cost neutral Design/PLACE support service for Planning would meet both these objectives by covering the costs of activities undertaken by the Planning team.

The Planning service relies on a one team approach that focuses on delivering a more customer-focused, value for money service. The implementation of a Design/PLACE support service can provide an authoritative view on the quality of development proposals and an indication of what needs to be improved to meet the quality required for planning approval. This could help reduce officer time spent on design-related advice, in particular in situations when innovative solutions are needed to bridge intractable design differences with applicants. For planning applicants, the review process provides an opportunity to save time and money and speed proposals through planning by getting design issues resolved early. It can also provide value for money given that paying individually for expert advice in various areas of expertise at normal rates would cost many times more.

In May 2015 an urban design skills assessment carried out across the City Parks, Planning, Property & Design, Regeneration and Transport teams identified the need to improve design skills in Urban Design Policy, Designing and Placemaking. The support service would provide valuable training opportunity primarily for council officers and elected members but potentially for key local stakeholders such as the Brighton & Hove Planning Professionals Forum and amenity societies.

For these reasons, Brighton & Hove City Council via its Planning team is looking for a supplier to deliver consistent, high standard, independent Design/PLACE support services that enable it to:

§ deliver the vision and objectives of the Brighton & Hove City Plan;
§ deliver national and local planning policy requirements by improving the quality of new development coming forward in the city;
§ raise awareness of Design/PLACE issues and improve skills by providing training opportunities for council officers, members, planning applicants and stakeholders;
§ deliver Planning team objectives of delivering a more customer-oriented, value for money service;
§ meet corporate objectives to deliver greater efficiencies by identifying opportunities to cover costs of activities delivered across the service; and
§ drive Planning service improvement.

<table>
<thead>
<tr>
<th>Item</th>
<th>Detail</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract length</td>
<td>Two years</td>
</tr>
<tr>
<td>Extension Options</td>
<td>One year</td>
</tr>
<tr>
<td>Quantity/volume or value</td>
<td>Estimated £100,000.00 (one hundred thousand pounds) per year.</td>
</tr>
<tr>
<td>Council Point of Contact</td>
<td>Name: Jo Yule</td>
</tr>
<tr>
<td></td>
<td>Job Title: Procurement Advisor</td>
</tr>
<tr>
<td></td>
<td>Telephone number: 01273 296197</td>
</tr>
<tr>
<td></td>
<td>Email: <a href="mailto:jo.yule@brighton-hove.gov.uk">jo.yule@brighton-hove.gov.uk</a></td>
</tr>
</tbody>
</table>
FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 This report seeks approval for the publication of the East Sussex, South Downs and Brighton & Hove Waste & Minerals Sites Plan (henceforth the ‘Sites Plan’), along with supporting documents for an eight week period of public consultation from 28 October 2015, subject to approval by East Sussex County Council and the South Downs National Park Authority, prior to submission to the Secretary of State for public examination. The Sites Plan is a continuation of the excellent joint working arrangements which resulted in the joint Waste & Minerals Plan (WMP) being adopted by the three authorities in early 2013.

1.2 The adopted WMP sets out the strategic policy framework for waste and minerals development in the Plan Area (i.e. the administrative areas of East Sussex and Brighton & Hove, which includes part of the South Downs National Park), but does not include specific site allocations. The Sites Plan will provide this detail, and together the two documents will form the complete ‘Local Plan’ for waste and minerals until 2026/27.

2. RECOMMENDATIONS:

2.1 That Policy and Resources Committee is asked to recommend to Council to:

- Note the responses to the consultation on the Consultation Draft Waste & Minerals Sites Plan (an extract of comments is included in Appendix 1, with a full schedule on the City Council’s website, placed in the Members’ Rooms, and in main libraries and Customer Service Centres);

- Agree and publish the Proposed Submission Waste & Minerals Sites Plan for statutory public consultation for an eight week period commencing on 28 October 2015 (along with supporting documents);

- Subsequently submit the document to the Secretary of State subject to no material changes being necessary, other than alterations for the purposes of clarification, improved accuracy of meaning or typographical corrections;
• Authorise the Head of City Planning & Development to agree any draft ‘main modifications’ to the Sites Plan necessary to make it sound and to authorise the publication of such draft modifications for public consultation, save that should any draft modification involve a major shift in the policy approach of the Sites Plan, the draft modification shall be referred by the Head of City Planning & Development to the Policy and Resources Committee for approval;

• Note that all modifications to the Sites Plan will be presented to the Policy and Resources Committee and Full Council in due course as part of the adoption process of the Plan;

• Approve the following background studies as supporting evidence for the Sites Plan (see Appendix 2 for a summary):
  
  o Sustainability Appraisal;
  o Habitats Regulations Assessment;
  o Strategic Flood Risk Assessment;
  o Site Selection and Methodology Document;
  o Schedule of Suitable Industrial Estates;
  o Detailed Site Assessment Document.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 In February 2013, the City Council, together with its partners East Sussex County Council and the South Downs National Park Authority adopted the Waste & Minerals Plan (WMP), which now forms part of the development plan for the area. The WMP provides the overarching planning policy framework and development management policies for waste management and minerals production within the Plan Area until 2026.

3.2 However, the WMP does not identify specific locations where the new waste management development required to meet the targets for increased recycling and recovery of waste could be located. The Sites Plan provides this detail.

3.3 The Sites Plan has a number of objectives:

• to identify suitable locations for new waste management development to enable the policies and targets for sustainable waste management that are set out in the WMP to be achieved;
• to safeguard existing waste management sites;
• to safeguard mineral resources, and the railheads and wharves which are necessary for the bulk transport of minerals;
• to safeguard existing, planned and potential sites for concrete batching.\(^1\)

3.4 The identification of specific sites for waste management facilities and minerals production is in accordance with paragraph 157 of the National Planning Policy Framework which requires Local Plans to plan positively for the development and

\(^1\) A specific requirement of paragraph 143 of the National Planning Policy Framework.
infrastructure required in the area, and to allocate sites to promote such
development.

Waste Management

3.5 The WMP includes ambitious targets for diverting 98% of all waste from landfill by 2020/21, and to enable East Sussex and Brighton & Hove to be net self-sufficient in waste management capacity. In order to achieve this, new waste management facilities to provide additional recycling capacity of between 30,000 and 170,000 tonnes per annum, and recovery\(^2\) capacity of between 60,000 and 220,000 tonnes per annum are required during the Plan period to 2026/27. No provision is made for any new landfill sites.

3.4 New recycling facilities will allow further increases in recycling levels across the Plan Area aimed at reaching, by 2025/26, the targets of recycling 55% of Local Authority Collected Waste (the majority of which is household waste), 70% of Commercial & Industrial waste and 50% of Construction, Demolition and Excavation waste. Only 2% of all waste is expected to be landfilled.

3.5 Modern waste management facilities required to achieve these high rates of recycling and recovery are often light industrial in nature and do not fit the perception of waste management being a ‘bad neighbour’ land use. For example, recycling facilities could include electronics disassembly or plastics recycling, and recovery capacity can be provided through anaerobic digestion or high-tech, efficient combustion processes such as pyrolysis (where waste degrades at high temperatures in the absence of oxygen). Waste management facilities also provide valuable, secure employment opportunities, broadly comparable to similar industrial processes in terms of the number of jobs.

3.6 Given the existence of this capacity gap, the Sites Plan also identifies and safeguards existing waste management facilities in the Plan Area, building on the general safeguarding Policy WMP6 in the adopted WMP.

3.7 The range of the figures reflects uncertainty over the growth of waste arisings during this period. Exactly how many facilities will be required will depend on the level of future waste arisings and the capacity of the new facilities that are developed. Waste growth at the low end of projections could require one large or two small recycling facilities and one recovery facility, however should waste arisings increase at the higher end of the forecasts, then up to eleven small or three large recycling facilities, and four small or two large recovery facilities, could be necessary. These are cumulative figures for the whole Plan Area.

3.8 Detailed site appraisals have been carried out on a large number of potential sites located across the Plan Area. These have assessed possible effects of waste management development on environmental and historic designations and residential amenity, as well as transport and flood risk issues. Consideration of ‘opportunities’ such as the possibility of co-locating with existing facilities to reduce the transportation of waste, and the ability to use previously developed land rather than greenfield sites, has also formed part of the appraisals.

---

\(^2\) ‘Recovery’ refers to waste treatment processes such as anaerobic digestion, energy recovery via direct combustion, gasification, pyrolysis or other technologies. These processes can recover value from waste, for instance by recovering energy, heat or compost.
3.9 The outcome of these appraisals informed a shortlist of potential sites which was included in a Consultation Draft version of the Sites Plan, and approved for consultation by Economic Development and Culture Committee in June 2014. 120 comments from 108 different consultees were received during the consultation period, and have been taken into account in revising the content of the Sites Plan (see appendix 1 for an extract of comments, with the full schedule in Members’ Rooms).

3.10 The sites have been separated into four categories depending on their nature. These are:

- Allocations – land allocated and safeguarded for waste management purposes;
- Areas of opportunity – a brownfield or existing employment site which is, in principle, suitable for waste management development, but not safeguarded for that purpose;
- Areas of search for new mixed development - an area identified within a City, District or Borough Local Plan for future development which includes employment uses. The areas identified for employment uses may be suitable for future waste management; and
- Physical extensions of existing waste management sites.

3.11 Across the Plan Area, 20 locations from these four categories that have the potential for new waste management development are included in the Plan. Sixteen are located in East Sussex, and four in Brighton & Hove. Following comments received on the Consultation Draft Sites Plan in 2014, the number of safeguarded allocations in Brighton & Hove has been reduced from four to two. These are:

- Hangleton Bottom (saved Policy SR26 of the Local Plan 2005 requires that community and recreational facilities be provided in association with waste management development on this site);
- Sackville Coal Yard;

3.12 The other two sites were proposed as site allocations in the Consultation Draft 2014, but are now classified as ‘areas of opportunity’. Therefore whilst they are considered suitable in principle for waste management development, they would no longer be safeguarded for that purpose, and the City Council would not object to alternative development proposals on these sites. These are:

- Hollingdean Industrial Estate (excluding the part of the WLP allocation now developed as a Materials Recovery Facility and Waste Transfer Station);
- Former Gasworks, Roedean Road.

3.13 Since both allocations were previously identified in the Waste Local Plan 2006, this means there are now no new allocations within Brighton & Hove that are proposed to be safeguarded for waste management use.

3.14 A criteria based policy (Policy SP5) is also included to allow waste management in appropriate locations on industrial estates provided certain criteria are met. This is in line with Policy CP3 of the Submission City Plan, and reflects the fact
that many modern waste management facilities are similar in nature to other
industrial uses and can often be housed in existing buildings on industrial
estates.

3.15 A network of modern facilities has been developed in recent years to manage Local Authority Collected Waste (e.g. Newhaven energy recovery facility, Hollingdean materials recovery facility and waste transfer station), and as a result only 3.13% of this type of waste from the Plan Area was landfilled in 2014/15. It is therefore anticipated that new facilities, including at Hangleton Bottom should a facility be developed on that site, will primarily cater for commercial waste streams.

Minerals Sites

3.16 The Sites Plan also identifies areas where mineral resources and wharves will be safeguarded to ensure a steady supply of aggregate to support the construction of new development and economic growth in the City and across the wider Plan Area. The mineral resources are all located in East Sussex. The Sites Plan reinforces the safeguarding of mineral wharf capacity at Shoreham Harbour, in line with Policy WMP15 of the adopted Waste & Minerals Plan. The importance of the wharves at Shoreham for landing marine dredged aggregates to serve Brighton & Hove and East Sussex was highlighted in the Local Aggregates Assessment approved by Economic Development & Culture Committee in January 2015.

3.17 Existing, planned and potential sites for concrete batching in the Plan Area are also be identified and safeguarded, in line with the requirements of paragraph 143 of the NPPF.

3.18 In testing the soundness of the Plan the Planning Inspector will consider the way in which the Plan has been prepared, its content and evidence submitted by the Authorities, together with representations received during the forthcoming consultation. The Inspector will also hold a public examination and it is anticipated that this will take place in Spring 2016. Adoption of the Sites Plan will follow the publication of the Inspector’s report.

4 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The City Council has made a commitment with its partners East Sussex County Council and the South Downs National Park Authority to produce the Waste & Minerals Sites Plan.

4.2 A clear need for additional waste recycling and recovery capacity is demonstrated in the adopted Waste & Minerals Plan in order to achieve the Plan’s targets for diverting waste from landfill. Not proceeding with the Sites Plan would hinder the delivery of this new infrastructure by failing to provide a clear planning policy framework to developers as to the most suitable locations.

4.3 Different options have been considered and consulted on as part of the plan making process.
5 COMMUNITY ENGAGEMENT & CONSULTATION

5.1 The Waste and Minerals Sites Plan has been a number of years in preparation and has evolved through a number of stages of public consultation, as follows:

- Call for Sites and Proposed Content of the Plan (summer 2013)
- Sustainability Appraisal Scoping Report consultation (winter 2013)
- Draft Plan consultation (summer 2014)

5.2 Further information is contained within the Consultation Statement which has been placed in Members’ Rooms and is to be published alongside the Plan.

6. CONCLUSION

6.1 Publishing the Proposed Submission Waste and Minerals Sites Plan is an important step towards the adoption of the Sites Plan. Once adopted, the Sites Plan will complete the Waste and Minerals Local Plan by providing site specific planning policies to guide the future development of waste management facilities in East Sussex and Brighton & Hove. New facilities are required to meet the ambitious targets for recycling and recovery contained within the adopted Waste & Minerals Plan.

6.2 The Sites Plan will also safeguard minerals resources and wharves across the Plan Area, including capacity at Shoreham Harbour.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The costs of development and publication of the proposed Waste & Minerals Site Plan, as well as the cost of associated consultation, has been met proportionally between Brighton and Hove City Council, East Sussex County Council and the South Downs National Park Authority. The Brighton and Hove City Council costs have been met from the existing Waste Planning revenue budget within the Planning and Building Control service.

7.2 The sites within the Plan have been identified and selected because of the potential social, environmental and economic impact. At this stage the detailed financial implications of potential site developments are unknown, however it is not anticipated that there will be any significant further costs to the council.

Finance Officer Consulted: Sue Chapman Date: 10/09/2015

Legal Implications:

7.3 As stated in paragraph 1.2 of this report, once adopted the East Sussex, South Downs and Brighton & Hove Waste & Minerals Sites Plan will form part of the Waste and Minerals Local Plan. As such it will be a material consideration in the determination of relevant planning applications. The detail as to the preparation of local plans is found in the Town and Country Planning (Local Planning) (England) Regulations 2012. Regulation 19 of the 2012 Regulations provides that, prior to submission to the Secretary of State for independent examination, a
local plan must be publicised for a period of at least 6 weeks and representations invited. Any representations received by the local planning authority within the timescale allowed will be forwarded to the Secretary of State.

7.4 It is not considered that any adverse human rights implications arise from the report.

Lawyer Consulted: Name Hilary Woodward Date: 4/9/15

Equalities Implications:

7.5 An Equalities Impact Assessment has been produced to support the Sites Plan and has been placed in Members’ Rooms.

Sustainability Implications:

7.6 A Sustainability Appraisal (SA) has been produced to support the Sites Plan. As Sites Plan sets a framework for future development consent of projects that are likely to have significant environmental effects a Strategic Environmental Assessment (SEA) is also necessary. These have been combined into a single joint appraisal to ensure that all issues are considered.

7.7 The SA process plays an important role in demonstrating that a Development Plan Document (DPD) is contributing to achieving sustainable development through the integration of environmental, social and economic considerations into the DPD. It is a systematic and iterative process which assesses the likely significant effects of the Plan on the environment, the economy and society.

Any Other Significant Implications:

7.8 None.
SUPPORTING DOCUMENTATION

Appendices:


2. Summary of Technical Background Studies.

Documents in Members' Rooms

1. Proposed Submission Waste and Minerals Sites Plan
3. Sustainability Appraisal;
4. Habitats Regulations Assessment;
5. Strategic Flood Risk Assessment;
6. Site Selection and Methodology Document;
7. Schedule of Suitable Industrial Estates;
8. Detailed Site Assessment Document;
10. Consultation Statement;
11. Duty to Cooperate Statement;

Background Documents

WMSP-WCA/AH Woodland Centre, Chiddingly .................................................................................. 60
WMSP-WCA/AI Woodland House, Ponswood Ind. Estate, Hastings ........................................ 60
WMSP-WCA/B Beddingham Composting Facility ........................................................................ 60
WMSP-WCA/C Boathouse Farm, Isfield ......................................................................................... 60
WMSP-WCA/E British Gypsum ........................................................................................................ 60
WMSP-WCA/I Coal Yard adjacent to Sackville Trading Estate, Hove ........................................... 60
WMSP-WCA/M Former Gasworks, Roedean Road, Brighton ......................................................... 61
WMSP-WCA/N Greystone Quarry, Southerham, Lewes ................................................................. 61
WMSP-WCA/S Hollingdean, Brighton .......................................................................................... 61
WMSP-WCA/T Kingspan Recycling, Moulsecoomb ....................................................................... 62
WMSP-WCA/V Newhaven ............................................................................................................. 62
WMSP-WCA/X Old Hamsey Brickworks, South Chailey ................................................................. 62
WMSP-WCA/Y Pebsham HWRC WTS .......................................................................................... 64
1 Summary of Responses

This is the Summary of Responses to the Draft East Sussex, South Downs and Brighton & Hove Waste and Minerals Sites Plan Consultation 2014. The consultation ran between 4 July 2014 - 5 September 2014 in accordance with Regulation 18 of the Town and Country Planning (Local Planning) Regulation 2012. Appendix A contains a copy of the original responses. In the interests of privacy these have had email addresses and telephone addresses redacted. Further information about the consultation can be found in the Consultation Statement.
### WMSP 1 Safeguarding Waste Sites

<table>
<thead>
<tr>
<th>PS56</th>
<th>Agree with the suitability of identified sites.</th>
</tr>
</thead>
<tbody>
<tr>
<td>PS64</td>
<td>Has an assessment been undertaken to ensure that these sites would broadly meet the selection criteria that are being applied to new sites?</td>
</tr>
</tbody>
</table>

Safeguarding is intended to safeguard existing waste management capacity. Safeguarded sites are identified by their throughput capacity and are not assessed on the same basis as proposed sites. Further information can be found in the Methodology and Options Paper. All existing safeguarded sites already have planning permission, and were subject to assessment at that time.

| PS55 | It is not clear how the sites in Appendix B have been selected - whether it is because their throughput exceeds the thresholds identified in WMSP1, making them "strategic facilities", or by some other measure. We would welcome clarification on this matter. |

Safeguarded sites are identified by their throughput capacity. Further information can be found in the Methodology and Options Paper.

| PS55 | Some of the sites in Appendix B are of significant scale and we recognise that these sites will contribute to the management of waste at a strategic level. Other sites, however, are much smaller in scale and it is not clear why sites such as WCAJF Broad Farm, WCA/K Downbarn Farm and WCA/AC Chaucer Industrial Estate should be formally safeguarded though the Local Plan process. If the throughputs of these sites exceed the relevant thresholds then it would be helpful to include reference to this within the Plan. |

Safeguarded sites are identified by their throughput capacity. Further information can be found in the Methodology and Options Paper.

| PS55 | Policy WMSP1 provides useful clarification on the implementation of Policy WMP6 and it is important that a distinction is made between strategic facilities and small scale sites. |

Noted.

| PS55 | WMP6 provides a justifiable basis for safeguarding strategic facilities through the WMSP however this approach is not particularly flexible where sites become unviable, perhaps due to changes in market requirements or technological or regulatory developments. It may be appropriate therefore to consider other circumstances where safeguarding policies would not apply. |

Policy (SP12) and text has now been amended to clarify in which situations safeguarding would apply.

| PS55 | The proposal to safeguard existing small scale waste management sites through WMSP1 however might be considered disproportionate and has not been fully justified at this stage. The WMSP itself recognises that turnover occurs within industrial estates which can lead |

Policy (SP12) and text has now been amended to clarify in which situations safeguarding would apply.
to the provision of appropriately positioned new waste management facilities. However, these facilities themselves may in time experience a turnover and potentially a change of use back to B uses. Similarly there is pressure on land from a range of other uses, many of which might be entirely appropriate and in accordance with District planning policies.

| PS55 | If indeed the WMSP ultimately identifies Areas of Search and Opportunity then this should facilitate a level of turnover within these areas. In these locations however market forces will generally guide the type and timing of development and safeguarding policies have the potential to unreasonably restrict the supply of land to meet the needs of the market. | Policy (SP12) and text has now been amended to clarify in which situations safeguarding would apply. |
| PS55 | A number of existing smaller sites are situated in rural locations which, in many cases, are unsustainable and undesirable. Protecting such sites from redevelopment for a use which could be more appropriate for their situation might also be considered unreasonable, particularly in light of the enabling policies proposed elsewhere in the plan. | Existing sites in rural areas provide essential waste management capacity. WMP6 makes provision for redevelopment should these sites no longer be required. |
| PS55 | Additionally, the caveats proposed in the small sites element of policy WMSP1 are fairly exceptional and, taking the above into account, we would suggest that this element of Policy WMSP1 could be modified to enable re-development of small waste management sites, where this would be sustainable. | Existing small sites provide essential waste management capacity. WMSP1 makes provision for redevelopment should these sites no longer be required. |
| PS34 | It is important that this policy refers back to WMP6 as this adopted policy provides an essential degree of flexibility in terms of safeguarding waste sites. Flexibility is necessary as North Quay is also part of an identified safeguarded wharves and railhead site which is important for the handling and transportation of minerals as supported by the NPPF. Day Group are currently importing some aggregate to the site by rail and may look to expand their operations during the plan period. As such it’s important for both waste and minerals uses. | Noted. Flexibility and use as mineral wharf, railhead, and waste site is acknowledged. North Quay is safeguarded for mineral use (WMSP - RSA/A) and Policy WMSP9 safeguards use of railhead and wharves at Newhaven. Waste sites and facilities at North Quay meeting the criteria specified in WMSP1 and shown on WCA/V are also safeguarded. |
WMSP 2 Waste Site Allocations

| PS64 | We welcome the recognition of the constraints relating to the natural environment, on allocations, and trust the development management policies and process will ensure minimal impact through avoidance, mitigation and (as a last resort) compensation. | Noted. |
| PS55 | Policy WMSP 2 is titled "Waste Site Allocations" however it is unclear currently whether the policy allocates the sites exclusively for waste management development. The policy indicates that proposals for waste development will be permitted, subject to other considerations, however, in itself; the policy may not prevent these sites being developed for alternative uses. | The WMSP safeguards existing strategic waste management facilities and allocations as set out in WMP6. Policy and text has now been amended to clarify how the policy would apply. |

WMSP 3 Areas of Opportunity on Previously Developed or Allocated Land

| PS57 | Support for the concept of locating waste treatment activity on previously developed land. | Noted. |
| PS69 | Agree that new sites should be close to where the waste arises. More evidence is required to back up the proposed sites which would help the understanding of their locations i.e. tied in with population, housing and employment planned growth outlined in local authority strategic plans. Otherwise it could appear that proposals are skewed to A22 corridor and further east purely due to absence of designated landscapes rather than functionally related to where waste arises. | The location of sites is guided by the policies contained within the Waste and Minerals Plan. WMP7a states that these should be within the Area of Focus (as defined on page 60 of the WMP). This does focus development in areas with better transport links, near waste arisings, and outside of the AONB and SDNP. |

WMSP 4 Areas of Search

| PS58 | Agree with the suitability of identified sites | Noted. |
## 1 Summary of Responses

<table>
<thead>
<tr>
<th>PS69</th>
<th>Areas of Search are locations where there is planned major development. The locations of the Areas of Search reflect this. This shows a lack of imagination: 5 sites in total of which 4 sites are in and around Hastings and Bexhill, one at Uckfield which would be close to an existing site. Agree that if loads of homes built at Uckfield then waste needs to be dealt with there but what about the rest of the area? Surely Uckfield and Hastings/Bexhill aren’t the only places seeing population growth? Where is the waste likely to be arising from? Where is the evidence that these sites are going to be well located for the future?</th>
</tr>
</thead>
</table>

### WMSP 5 Physical Extension of Existing Waste Sites

<table>
<thead>
<tr>
<th>PS59</th>
<th>Agree with the suitability of identified sites</th>
<th>Noted.</th>
</tr>
</thead>
<tbody>
<tr>
<td>PS59</td>
<td>Support for the Plan and / or specific policy.</td>
<td>Noted.</td>
</tr>
</tbody>
</table>

### WMSP 6 Existing Industrial Estates

<table>
<thead>
<tr>
<th>PS64</th>
<th>We welcome clause “f” which commits to avoiding unacceptable detrimental impact on environmental assets.</th>
<th>Noted.</th>
</tr>
</thead>
<tbody>
<tr>
<td>PS55</td>
<td>Policy WMSP 6 appears to relate only to the industrial estates identified within the document entitled Schedule of Suitable Industrial Estates, however the wording of the policy could be made clearer. That document actually states (paragraphs 1.1 and 1.2) that the identified estates “may” “potentially” be suitable for waste management development, and consequently the title of the document and the reference within Policy WMSP6 could be considered inconsistent.</td>
<td>Clarifications have been made to policy and text.</td>
</tr>
</tbody>
</table>

### WMSP 7 Waste Consultation Areas

| PS55 | In terms of Policy WMSP7, Policy WMP6 provides the basis for Waste Consultation Areas and states that they will be identified to “help ensure that existing and allocated sites for strategic waste management facilities are protected…” Policy WMSP 7 however makes no reference to “strategic waste management facilities” and it would be helpful to have clarification on whether all sites within Appendix B (if that Appendix is The Sites listed in Appendix B are identified as Safeguarded Waste Sites as defined by Policy WMSP1. WMSP7 defines the conditions in which a Local Planning Authority must consult the Waste Planning Authority. Text of Policy and explanatory text to be altered for clarity. |
indeed relevant to WMSP7) are considered to be strategic. As suggested earlier, some of these sites appear to be fairly small scale operations.

| PS55 | In addition, given that the allocations policies appear not to prevent redevelopment of the identified sites for alternative uses, it might be considered unreasonable to safeguard the allocated sites for waste uses only, as suggested by some parts of the draft Plan. | Policy WMP6 safeguards sites allocated for waste uses. In safeguarding these allocations other development would be resisted on these sites. |
| PS55 | Clarification would be helpful on whether or not exception (a) relates only to applications advertised as departures, and what constitutes “minor” for the purposes of exception (e) – for instance does this include all non-major development? | (a) If the determining authority is of the view that a proposal is in accordance with the adopted development plan, consultation is not required. (e) Minor Works include those permitted under the GDPO, and de minimis operations. |
| PS34 | The proposal to safeguard the Newhaven railhead is in accordance with the NPPF and adopted Policy WMP15. Railheads promote sustainable transport of minerals and therefore provide an important resource. Day Group currently import materials by rail and may look to expand their operations during the plan period. | Noted. |

**WMSP 8 Mineral Safeguarding Areas for land-won minerals resources within the Plan Area**

| PS60 | The County should use powers available to serve notice on the owners to either proceed with development of Horam Brickworks or lose the earlier consent and resubmit a new application. | This is not a matter for the Sites Plan. |
| PS53 | MSAs should cover the mineral resource, not only existing sites and reserves. This misunderstands the purpose of safeguarding. The Plan underestimates levels of production and reserve depletion, provides inadequate safeguarding of resources, and applies safeguarding rather than allocation to provide for sufficient reserves. | Disagree. The Authorities approach to safeguarding minerals resources was adopted in the WMP and is set out in policy WMP14. The Sites Plan confirms this approach and identifies the MSAs in detail. |
Agree that policy and text should be strengthened to address potentially incompatible development

Policy WMSP 8 needs to go further to prevent unacceptable development encroaching on existing mineral developments or mineral safeguarding areas and we would suggest that the following words be added to this policy:

'Mineral Safeguarding Areas are designated within and up to an area of 250 metres from each safeguarded or permitted minerals development as shown on the maps 56 - 64 in Appendix C. The Mineral Planning Authority shall be consulted on:

- Any planning application for development on a site located within a Mineral Safeguarding Area; and
- Any land-use policy, proposal or allocation relating to land within a Mineral Safeguarding Area that is being considered as part of preparing a Local Plan.

Proposals which would unnecessarily sterilise mineral resources or conflict with the effective workings of permitted minerals development, or reserved sites shall be opposed.'

WMSP 9 Safeguarding wharves and railheads within the Plan Area

PS61, PS53 Support for the Plan and / or specific policy. Noted.

PS53 Recommend that policy also addresses potentially incompatible development in proximity to infrastructure e.g. residential, noise or dust sensitive uses. Should also clarify how safeguarding will be implemented. Clause at end of WMSP10 re consultation could also be added to WMSP 9. Agree that Plan and policy can be clarified to address incompatible development in proximity to minerals infrastructure.

WMSP 10 Safeguarding facilities for concrete batching, coated materials manufacture and other concrete products within the Plan Area

PS62, PS53 Support for the Plan and / or specific policy. Noted.

PS22 There is an existing concrete batching plant at Hanson Quarry on Sedlescombe Road North in St Leonards, which is not identified in WMSP10. Recommend considering for inclusion. Text of Policy to be altered to include Hanson Quarry on Sedlescombe Road North in St Leonards.
### WMSP-A/A Beach Road (Land west of), Beach Rd / Railway Rd, Newhaven

| N/A | Correspondence with the land owner prior to consultation indicated the landowner wishes the site to be identified as an Area of Opportunity, not an allocation. | Noted. Site type to be changed to an Area of Opportunity. |

### WMSP-A/B Coal Yard adjacent to Sackville Trading Estate, Hove

| PS44, PS48 | Air quality - Area suffers from air quality issues. Waste development and associated traffic would unacceptably exacerbate issue. | It is noted that Sackville Road and part of Old Shoreham Road are part of the Brighton, Portslade and Rottingdean 2013 AQMA. Routeing arrangements could minimise distance HGVs travel within the AQMA Site is an existing industrial area - waste management uses may not have a materially different effect on the AQMA compared to other industrial uses. |
| PS48 | Consultation - There was a lack of notification about the consultation by the Authorities. | The consultation arrangements followed the guidelines set out in the Authorities’ respective Statements of Community Involvement. |
| PS45, PS44 | Noise - Future waste management development would generate unacceptable levels of noise. | The level of noise produced by a waste facility would not be known until a detailed planning application was submitted for determination. Development management policies in the adopted Waste Minerals Plan would be use to protect local communities against unacceptable levels of noise. |
| PS45, PS44, PS48, PS72, PS73, PS74, PS75, PS76, PS77, PS78, PS79, PS80, PS81, PS82, | Object - Object to inclusion of site. | Objections noted. |
# Summary of Responses

<table>
<thead>
<tr>
<th>PS83, PS84, PS85, PS86, PS87, PS88, PS89, PS90, PS91, PS92, PS93, PS94, PS95, PS96, PS97, PS98, PS99, PS100, PS101, PS102, PS103, PS104, PS105, PS106, PS107, PS108, PS109, PS110, PS111, PS112, PS113, PS114, PS115, PS116, PS118, PS119, PS117</th>
<th>Odour - Concern a future waste management facility would generate bad odour. The level of odour produced by a waste facility would not be known until a detailed planning application was submitted for determination. Development management policies in the adopted Waste Minerals Plan would be use to protect against unacceptable levels of odour.</th>
</tr>
</thead>
<tbody>
<tr>
<td>PS45</td>
<td>Property value - Waste development would have a negative impact on property values. Unfortunately the potential effect of new development on property values is not a planning consideration.</td>
</tr>
<tr>
<td>PS45, PS44, PS48</td>
<td>Residential proximity - Site is unsuitable for waste use due to proximity to residential properties. Residential amenity was considered during the site assessments, which concluded that Site is very well screened from nearby houses on west side of Sackville Road by mature vegetation and is at a higher level. Access to the area may be via residential streets.</td>
</tr>
<tr>
<td>PS45, PS44, PS48</td>
<td>The Shoreham Road is busy and on a key walking route for school children. Additional vehicles would be dangerous. The number of additional vehicle movements would depend on the size and type of facility that was developed. This would be considered in detail should a planning application be submitted for the development of the site.</td>
</tr>
<tr>
<td>PS44, PS48, PS72, PS117</td>
<td>Traffic - There is insufficient capacity on the existing road network for further development. An initial appraisal of the Capacity of surrounding transport infrastructure concluded that the site graded as ‘medium’ against this indicator, meaning that “There is the risk of significant harm but mitigation measures could reduce risk to acceptable levels. The residual risk of harm may be acceptable when weighed against benefits.”</td>
</tr>
<tr>
<td>PS44</td>
<td>Request decision makers to undertake site visit.</td>
</tr>
<tr>
<td>PS48</td>
<td>The site is on a bus route.</td>
</tr>
<tr>
<td>PS48</td>
<td>Development on this site would have a negative effect on the Brighton Hove economy.</td>
</tr>
<tr>
<td>PS48</td>
<td>There is a lack of family housing in Hove.</td>
</tr>
<tr>
<td>PS51</td>
<td>The site is located within groundwater Source Protection Zone 2. Development should therefore only be permitted if adequate mitigation measures can be implemented, to the satisfaction of the Environment Agency. In the Site Waste profile, this site is incorrectly described as being located in Groundwater Source Protection Zone 3. It is important that this should be amended as Zone 2 We have also identified that wastewater infrastructure crosses the site. Proposed amendments: Insert an additional bullet point in the Site Profile section headed Constraints: ”The following constrains will need to be considered: Protection of underground wastewater infrastructure Amend the existing bullet point under the section headed Constraints: Site is within Groundwater Protection Zone 2”</td>
</tr>
<tr>
<td>PS71</td>
<td>Oxalis Planning Limited represent LaSalle Investment Management (the landowner), and wish to object to the inclusion of this site.</td>
</tr>
<tr>
<td>PS71</td>
<td>Context: In the emerging Brighton and Hove City Plan the Coal Yard site is located within the Hove Station Area and has the potential to contribute to the emerging objectives for this location with regard to housing and employment.</td>
</tr>
<tr>
<td>PS71</td>
<td>History of the Allocation: The site has been allocated for a long period of time and has not been brought forward for development and the owner is clear that they have no intention to bring it forward for waste management. National planning policy clearly</td>
</tr>
</tbody>
</table>
# 1 Summary of Responses

| PS71 | Viability: The prohibitive costs of reinstating a railhead on site would render development for a waste facility unviable. | A waste management facility could be developed without the reinstatement of a railhead. |
| PS71 | National Policy: In order for a Plan to be found 'sound', national policy requires that Plans are deliverable. The allocation of the Coal Yard site is not deliverable because the site is neither viable nor available for waste management development. | Evidence that the site is not viable has not been submitted, however the strong opposition of the current landowner is noted. |
| PS71 | Appraisal of Sites: The appraisal of the site does not consider the fact that the owner will not make it available for waste management development or the fact that it is likely to be proposed for development for other uses. | The initial site appraisal did not consider views of landowners - one of the purposes of this consultation was to elicit their views, which have now been submitted to the Authorities. |
| PS71 | Need: The removal of the allocation of the Coal Yard site would not compromise the ability of the Council to meet its waste needs given the availability of other sites. | Whilst more site allocations and other potentially suitable locations are proposed than are required, it is important to retain an element of flexibility to enable the waste industry to adapt to future market demands. |
| PS72 | Hove Station Neighbourhood Forum has applied to be designated as a qualifying body to prepare a Neighbourhood Plan for the area identified as DA6 in the BHCC Core Strategy. Application to be determined. May be an item at the 18 September meeting of the Economic Development and Culture Committee. | The Authorities are aware that the area has been designated, but the designation of the Neighbourhood Forum has not yet occurred. It is anticipated that this will occur in the near future, however. |
| PS72 | Very few residents are aware of the road to rail waste transfer facility and those that are aware are opposed to the proposal. | The site has been allocated since 2006 for a road to rail transfer facility, however no scheme or proposal has come forward for the development of the site for this purpose. The allocation was subject to full public scrutiny through the public inquiry into the Waste Local Plan before its allocation was confirmed in the adopted Plan. |
| PS72 | Allocation should be seen in the content of the renewal of planning permission for the redevelopment of the Sackville Trading Estates as a mixed use project which will generate additional traffic. | Proximity to the scheme permitted through permission BH2008/01554 is noted. |
| PS72 | The forum is advocating a redevelopment of DA6 to create a new centre for Hove. Allocation of the Coal Yard would permanently divide the area and limit the extent to which potential redevelopment could be realised. | The opposition of the Forum to the proposed allocation is noted. |
## Summary of Responses

<table>
<thead>
<tr>
<th>PS117</th>
<th>An initial appraisal of the capacity of surrounding transport infrastructure indicate that this site has good access to A2023 and A270, and was classified as orange in the grading system, which means “There is the risk of significant harm but mitigation measures could reduce risk to acceptable levels. The residual risk of harm may be acceptable when weighed against benefits.”</th>
</tr>
</thead>
</table>

### WMSP-A/C Former Gasworks, Roedean Road, Brighton

<table>
<thead>
<tr>
<th>PS20, PS65</th>
<th>Objection noted.</th>
</tr>
</thead>
<tbody>
<tr>
<td>PS20, PS65</td>
<td>Site is unsuitable for waste use due to proximity to residential properties.</td>
</tr>
<tr>
<td>PS47</td>
<td>The potential for effect on residential amenity was considered during the site assessment process, with the conclusion that the site graded as high/medium, which means “There is the risk of significant harm. There may be some potential for mitigation to reduce adverse effects but it may not be fully effective and/or could be highly problematic.”</td>
</tr>
<tr>
<td>PS47</td>
<td>Proximity to the National Park was considered during the site assessment. Existing Gasometers have an impact and removal of these would enhance views from SDNP. Redevelopment needs to enhance views from SDNP to urban area. If redeveloped with high quality development could enhance views from the SDNP. A waste type of development may not create desirable built form. Appropriate planting of a tree feature and/or a high quality focal building on the northern part of the site may also help to mitigate any negative effect.</td>
</tr>
<tr>
<td>PS20</td>
<td>There is insufficient capacity on the exiting road network for further development.</td>
</tr>
<tr>
<td>PS51</td>
<td>The number of traffic movements associated with a waste management facility cannot be known until a planning application is submitted. However, the initial view of the highways officer during the site assessment process was that Highway capacity is unlikely to be generally problematic in this location, as the site is directly adjacent to the A259.</td>
</tr>
<tr>
<td>PS51</td>
<td>Water and wastewater infrastructure crosses the site. Proposed amendment: Insert an additional bullet point in the Site Profile section headed Constraints: The following constrains will need to be considered: Protection of underground wastewater and water supply infrastructure.</td>
</tr>
<tr>
<td>PS20</td>
<td>Noted. Amendments made to site profile.</td>
</tr>
</tbody>
</table>
## 1 Summary of Responses

| PS20 | Brighton Hove City Plan 2011 Submission) Policy DA2 identifies the Gasworks site being used for office, light industrial use and housing. Waste allocation conflicts with this policy. | Policy CP3 of the Submission City Plan makes clear that sui generis uses such as waste management, appropriate in nature to an industrial estate location, can be acceptable. Modern waste facilities can often be outwardly indistinguishable from other light industrial, employment generating uses and can therefore be suitable for locating on employment land. |
| PS20 | Site has been identified without consultation of City Council. | Brighton Hove City Council is one of the three partner authorities jointly producing the Plan and has been fully involved in the process. |
| PS20 | Site is close to protected natural areas, this makes it unsuitable. | Proximity to the South Downs National Park and other protected areas was considered during the site assessment process. It is considered that redevelopment of the site with high quality development could enhance views from the SDNP. |
| PS20 | Site is adjacent to East Brighton Park, this makes it unsuitable. | The site is not adjacent to the Park. Proximity to registered parks and gardens was considered in the site assessment process. |
| PS20 | Plan does not contain any analysis of route that will be used by rubbish vehicles to access the site or effect on traffic flow. | At the site allocation stage, the type of waste facility that could be developed is unknown, as is its size and consequently the number of vehicle movements that would be associated with it. |
| PS65 | National Grid Property (NGP) and Southern Gas Networks (SGN) are the landowners of this site and object to it's inclusion. | Landowner objection noted. |
| PS65 | Due to the contaminated nature of the site, and potential negative effect on the value of other developments on this site, redevelopment for uses including a waste management facility would not be viable. | The landowner has been requested to provide any viability assessments of development options for the site to support this statement. |
| PS65 | The site is in close proximity to the Kemp Town Conservation Area, and development would have an adverse effect on the setting. | It is not considered that site development would result in significant harm to the Conservation Area’s character or appearance. The Waste Local Plan Inspector (2004) stated that I think it unlikely that [materials recycling, composting, anaerobic digestion and mechanical/biological treatment, perhaps on a modular basis], suitably designed, would have a material impact on the nearby Conservation Area, compared with other forms of employment development. |
The Proposed Modification to policy CP3 of the City Plan makes clear that sui generis uses, including waste management facilities, appropriate in nature to an industrial estate location will also be acceptable on land allocated for employment uses, provided that they generate employment which is quantitatively and qualitatively comparable to uses within B1- B8 Use Classes.

The Submission City Plan envisages a mixed use redevelopment of the site to include a minimum of 85 residential units, ancillary retail development and 2,000m2 of employment floorspace to the north of the site.

**WMSP-A/D Hangleton Bottom, Hangleton Link Road, North Portslade**

| PS47 | Site should be developed and managed in a way which respects the proximity to the National Park. | Policies in the adopted Waste Minerals Plan protect against harm to the setting of the South Downs National Park. Proposals will be assessed against these policies at the planning application stage. |
| PS64 | The Hangleton Bottom site is very much part of the setting of the AONB and consideration needs to be given to the potential for development to impact on the designated landscape and its setting. | The site is screened to some extent by the embankment leading up to the A27, however any proposal for the development of the site must take into account the impact on the setting of the National Park. |

**WMSP-A/E Hollingdean Industrial Estate, Brighton**

| PS25, PS70 | Air Pollution - Area suffers from air quality issues. Waste development and associated traffic would unacceptably exacerbate issue. | It is noted that an AQMA is located along Hollingdean Road to the east of the site and on Lewes Road. Routeing arrangements could minimise distance HGVs travel within the AQMA Site is an existing industrial area - waste management uses may not have a materially different effect on the AQMA compared to other industrial uses. |
| PS70 | Business Amenity - Waste management development would have an adverse impact on existing local businesses located on the site. | Modern waste management facilities are often housing within buildings and can be indistinguishable from other light industrial uses. Co-location with existing waste management facilities on the site could provide benefits. |
## Summary of Responses

| PS25 | Existing Noise - The existing site generates unacceptable noise. | The WMSP deals with providing potential sites for new waste management facilities - it is not concerned with the operation of existing facilities. However, the level of additional noise would be considered in the determination of a planning application, should a develop submit one wit the intention of developing a new facility on the site. |
| PS25 | Existing Odour - The existing site generates unacceptable odour. | The WMSP deals with providing potential sites for new waste management facilities - it is not concerned with the operation of existing facilities. However, the level of additional odour would be considered in the determination of a planning application, should a develop submit one wit the intention of developing a new facility on the site. |
| PS25, PS70 | Site is unsuitable for waste use due to proximity to residential properties. | The potential for effect on residential amenity was considered during the site assessment process, with the conclusion that the site graded as medium, which means “There is the risk of significant harm but mitigation measures could reduce risk to acceptable levels. The residual risk of harm may be acceptable when weighed against benefits.” |
| PS25, PS70 | The site is busy and on a walking route for school children. Additional vehicles would be dangerous. | The level of traffic that could be generated would only be known once a proposal for a scheme is submitted to the Council. Full consideration of the impacts of the increase in traffic movements would then take place as part of the determination of the planning application. |
| PS25 | Concern that an increase in the number of traffic movements or the type/size of vehicles will have an adverse impact on local community. | The level of traffic that could be generated would only be known once a proposal for a scheme is submitted to the Council. Full consideration of the impacts of the increase in traffic movements would then take place as part of the determination of the planning application. |
| PS25 | This site is in close proximity to two schools. Waste development next to school is inappropriate. | The retained allocation is further aware from the schools than the existing waste transfer station. Notwithstanding this, any proposed facility would need to be designed to a high standard with appropriate mitigation measures to reduce potential adverse impacts on the surrounding area to an acceptable level. |
| PS25 | The Dump the Dump campaign responded to the original proposal for a waste site in the above location to be managed by Veolia. The document submitted by the residents | The Waste Minerals Sites Plan consultation does not relate to the operation of the existing Veolia facilities on part of the site. The purpose is to consider whether the |
The Dump the Dump campaign related to a planning application for specific waste management facility. The Sites Plan merely allocates a site which could potentially be suitable for waste management development. Until a scheme is proposed for the site it is not possible to make detailed judgements about the impacts of a new facility, as the technology and size are uncertain.

PS25
There is no need to repeat all of the evidence and all of the arguments that were detailed in full in the Dump the Dump report as the Council have them.

PS70
The consultation period seems deliberately designed to exclude comment from users of Downs Infants School and Downs Junior School due to the summer holidays.

PS70
The opportunity to use rail transport from the site has been excluded by previous developments. Site does not provide an opportunity to transport waste and minerals by a low carbon method.

The consultation ran for a period of nine weeks from 4th July to 5th September 2014.

The site assessment concluded that a rail connection was unlikely to be feasible as although the railway is adjacent, it is raised on an embankment.
1 Summary of Responses

| PS51 | The site is located within groundwater Source Protection Zone 1 Development should only be permitted if adequate mitigation measures can be implemented, to the satisfaction of the Environment Agency. In the Site Waste profile, this site is incorrectly described as being located in Groundwater Source Protection Zone 3. It is important that this should be amended as Zone 1. We have also identified that water and wastewater infrastructure crosses the site. Proposed amendment: Insert an additional bullet point in the Site Profile section headed Constraints: "The following constrains may need to be considered: Protection of underground wastewater and water supply infrastructure". Amend the existing bullet point under the section headed Constraints: Site is within Groundwater Protection Zone 1” | Comments noted. Amendments made to site profile. |

WMSP-A/F Old Factory, West of A22, A271, and A267 Roundabout, Lower Dicker

| PS21 | Concern site access is poor and would be difficult to access from the road | Information provided by the Highways Authority as part of the site assessment process indicated that the access may require altering depending on the size of vehicles required to access the site. |
| PS3 | Site allocation A/F or A/G appear better suited in respect of access and impact on housing and business than O/F. | Noted. The WMSP is required to provide a range of suitable sites. |
| PS63 | Support for locating new facilities on industrial estate; however this site is not an industrial estate. | While this site is not an industrial estate, this site has been developed for business / industrial use. |
| PS21 | Concern a future waste management facility would generate bad odour. | Well designed modern waste management facilities with appropriate mitigation should have no more adverse effect than that of any other light industrial type operation. |
| PS63 | Suggest for consideration inclusion of Hackhurst Lane Industrial Estate and / or the site of the former Abbots Joinery. These sites are more suitable than A/F and A/G. | Hackhurst Lane Industrial Estate was assessed as part of the site assessment process but was not included on the advice of the District which recently granted permission for a business park on this site. The former Abbots Joinery site (Oakwood Business Park) will be assessed and considered for inclusion. |
Appendix 2 – Summary of Technical Background Studies

Copies of all documents will be placed in Members’ Rooms.

Sustainability Appraisal;
This document critically examines the objectives and options of the Sites Plan and tests them against the principles of sustainable development. The SA was informed by sustainability objectives throughout the evolution of the Plan, and was a key consideration in drawing up the site selection methodology.

Habitats Regulations Assessment;
In accordance with the requirements of the Habitats Directive 1992, the WMSP has been subject to Habitats Regulation Assessment (HRA) screening, both in terms of the proposed waste sites and policies within the Plan. As the WMSP has emerged, details of the HRA screening have been included in the site profiles of the plan. The HRA screening results have not led to exclusion of any sites, because none of the sites were found to definitely have an adverse effect.

Strategic Flood Risk Assessment;
The Strategic Flood Risk Assessment assesses the risk to the Plan Area from flooding from all sources, now and in the future, taking account of the impacts of climate change, and to assess the impact that land use changes and development in the area will have on flood risk. It also identifies the requirements for site-specific flood risk assessments in particular locations.

Site Selection and Methodology Document;
This document details the methodology used in assessing the suitability of sites for waste management purposes.

Schedule of Suitable Industrial Estates
Provides details of established industrial areas which are considered to be appropriate locations, in principle, for waste management facilities.

Detailed Site Assessment Document
Sets out full details of the site assessments carried out for all sites considered for inclusion in the Sites Plan.
FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 This report seeks approval for investment in line with the Council’s Corporate Plan and existing Medium Term Financial Strategy, in the Customer First in a Digital Age Programme. This programme is a cross-cutting modernisation programme and acts as one of the critical enablers of the savings to be proposed within the four year integrated service and financial plans.

2 RECOMMENDATIONS:

That the Committee:

2.1 Approves the three year investment in the proposed Customer First in a Digital Age (CFDA) Programme as set out in this report at paragraphs 4.12-4.20.

2.2 Approves the use of a CFDA Investment Fund, CFDA Investment Reserve and the associated revenue and capital expenditure for 2016/17.

2.3 Notes that expenditure after 2016/17 will be subject to available funding and approval of fully funded annual Capital Investment Programmes by Budget Council in February 2016.

2.4 Grants delegated authority to the Chief Executive and Section 151/Chief Financial Officer to implement the programme including authorisation of the use of the investments approved at recommendation 2.1, subject to Contract Standing Orders.

3 CONTEXT/ BACKGROUND INFORMATION

Overview

3.1 Brighton & Hove is a highly digital city; citizens, business and communities expect the brilliant, personalised experiences they get in their consumer life.

3.2 However, the reality of the current relationship between council, citizen and community is that it is fragmented, can place a burden of time and frustration on
the citizen and create cost and excessive demand to the council. It also often fails to draw in the full potential value of the community.

3.3 The aim of the Customer First in a Digital Age programme is to enable the rebalancing of these relationships as ones of co-operation and partnership and meet residents’ and communities’ expectations of influence and control.

3.4 In doing so it will help close the financial gap, delivering just under £5.0 million in recurrent revenue savings and income generation.

3.5 It will also deliver the following benefits;
- improve customer’s experiences and residents’ trust;
- manage demand for services; and
- develop new capabilities that will help make the Council fit for the future.

3.6 The programme builds on the investments made through both the ICT Investment Fund and Modernisation Fund over the last three years. It will extend the value delivered by the ICT Infrastructure outsourcing investments and use the approaches developed through the Customer Access, Business Process Improvement and Information Management projects.

3.7 The programme will build on the detailed work undertaken in City Clean, Planning and Parking, where there are critical priorities to ensure we are getting the basics right and targeting income opportunities.

3.8 Despite the recent investments the authority’s spend on ICT compared to other local authorities and industries remains low – at 1.42% of revenue spend compared to 1.9% average across Local Authorities and the 2.2% which is a broader industry average. In addition, most industry areas are seeing this percentage rise as they digitise their services, replacing traditional staff based services with automated digital self-service.

**Demand for Digital Services**

3.9 By 2020, at the end of this programme Digital Natives (people growing up with the web and digital technologies) will form the majority of the UK population.

3.10 OFCOM’s Internet use and attitudes survey 2014 identifies that already 86% of 16-24 year olds go online on their smartphone, while in Brighton & Hove we know that broadband access is at 87%, significantly higher than OFCOM’s 76% national average.

3.11 The evidence shows that Brighton & Hove has a population who are crying out to engage with services digitally; SOCITM Better Connected 2014 shows that the Council’s website is already ranked:
- 15th nationally by usage
- 10th nationally by share of the population
- 2nd most visited English unitary authority website
- 1st most visited website in the South East.
3.12 The Council’s customer research and insight has further reinforced that customers’ and residents’ expectation is that they should be able to use apps and the web on their phones and tablets to complete the majority of their interactions with the Council.

Investment Outcomes

3.13 The programme investment will be used to target the following outcomes which support the Corporate Plan 2015-19 principles of **Public Accountability**, being **Citizen Focused,** **Increased Equality** and **Active Citizenship**. It will focus on achieving the following outcomes:

- **Closing the Gap** – Brighton & Hove City Council faces a significant financial gap which needs to be closed; in parallel citizens and communities face an inequality gap which also needs to be closed.
- **Improving the Customer Experience** – As citizen’s expectations rise, so there is a continual need to keep improving the experience, delivering person centred design experiences.
- **Demand Management** – There are key areas where demographic change and citizen expectation is driving changes in demand, including transport journeys, social care and health services. This programme will seek to positively impact the demand profile through a combination of prevention and new capabilities to meet demand.
- **Fit for the Future** – The Corporate Plan sets out a vision for a very different Council, in a very different City, this programme will ensure key capabilities and partnerships are in place to meet this changing role.

Reducing costs through digital

3.14 There is a significant evidence base for the reduced cost of delivering services through digital/web channels rather than relying on staff responding and processing demands. This includes national research, benchmarking and local analysis we have undertaken.

3.15 On average a digital transaction with a citizen costs £0.15-£0.39 compared to a phone call at £2.50-£3.50 or face to face which is closer to £8.00.

3.16 The Council also still relies heavily on printed paper sending out an average of 1.5 million items of mail to households each year (the equivalent of 12 per household against a benchmark average of 4) and receives back more than 300,000 items of post a year (the equivalent of 2.5 items per household against a benchmark average of 1). Printing costs the council more than £880k annually, there is significant opportunity to replace much of this with digital interactions.

Improving staff productivity

3.17 Analysis has shown that there is significant potential across multiple areas of service to improve the effectiveness and productivity of staff by providing more effective mobile tools and better access to information in the field. Combined with redesign of services around common functions (for example assessments, inspections and income collection) this will drive efficiencies and improvements in the experience for customers. There are also cost reductions available in
reducing travel and printing associated with how meetings and visits are carried out.

**Using Data more effectively**

3.18 Building on the investments made through the ICT Investment Fund there are new opportunities to use data more effectively to drive down cost and create new services. These include targeting fraud reduction, targeting income collection and using data and predictive analytics to improve commissioning and procurement outcomes.

**Governance & Direction**

3.19 The proposed Customer First in a Digital Age investment would form a key part of the spend to save investments needed to enable the Council's Modernisation plans; a cross-cutting corporate modernisation programme, which in turn supports the integrated service and financial planning framework for both co-operative council services and those adopting a commercial approach.

3.20 The savings will come through the individual service savings plans. The detail on these will therefore follow as part of the 4 year integrated financial and service plans and annual budget setting processes. The investments are in the core enabling resources and technologies to enable driving out the savings from services budgets.

3.21 Given the significance of the programme in terms both of its impact and the investment, there is a two tier system of oversight and governance proposed. The programme would be governed at a detailed level by a programme board which includes members of the Executive Leadership Team, who would oversee and prioritise specific investments. The programme would also co-opt specific members of this team as required to focus on key business areas or key skills.

3.22 At a more strategic level, the programme would be subject to the regular oversight, governance and scrutiny of by Members through the Modernisation Oversight Group. The programme will also report progress to Policy and Resources Committee on an annual basis.

3.23 As outlined in the Corporate Plan & Medium Term Financial Strategy 2015-2019: Budget Planning and Resource Update 2016/17 presented to Policy and Resources Committee on 9th July 2015, an expected capital ICT investment level of £2 million each year has been set for the three year period from 16/17 as outlined at para 3.47 and in Appendix 3.

3.24 The investment approach and governance model will allow the programme board, under the guidance and oversight of Members to direct investments on an annual basis, including reducing or stopping investment levels if required.

**Procurement Approach**

3.25 The rationale for the selected proposed procurement and sourcing approach is outlined in Appendix 4 and will be managed in line with Contract Standing Orders (CSO's). This will include any procurements over £500k being brought before Policy & Resources Committee for decision in line with CSO's.
3.26 A small commissioning team will source skills, resources and technology as required under a multi-sourcing approach. This will include using existing frameworks and contracts where available and suitable to the requirements.

3.27 For skills and resourcing, the programme will use a combination of existing frameworks under the government's Digital Marketplace and establishing a digital services framework, drawing on the significant local digital sector. This will seek to ensure that the framework delivers social value benefitting the local economy and developing skills and talent within the City.

3.28 Investment Projects

The programme will incorporate a number of key projects working to deliver these outcomes, including:

<table>
<thead>
<tr>
<th>Theme</th>
<th>Project</th>
<th>Early service targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Channel Shift</td>
<td>Citizen MyAccount</td>
<td>Top 20 volume transactions identified and being targeted; Service focus</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Revenues</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Parking</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Planning</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• CityClean</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Libraries</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Benefits,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Adult Social Care Advice &amp; Assessments</td>
</tr>
<tr>
<td>Channel Shift</td>
<td>Business MyAccount</td>
<td>Service focus</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Business Rates</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Licensing</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Parking</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Planning</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• CityClean</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Business Support</td>
</tr>
<tr>
<td>Mobile Working</td>
<td>Staff Mobile</td>
<td>Service focus</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Adults Social Work and Assessments</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Children's Social Work and Assessments</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Development &amp; Building Control</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Housing field work force</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• CityClean</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Inspections &amp; enforcements</td>
</tr>
</tbody>
</table>

*Mixed case*
<table>
<thead>
<tr>
<th>Digital Service Redesign</th>
<th>Cross Cutting Functions</th>
<th>Function focus</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Early discovery work indicates that significant cost reduction and service improvements can be achieved where there is duplication across the Council, through redesign from the perspective of the customer</td>
<td>• Assessments – Financial &amp; Eligibility (Adult Social Care, Revenues &amp; Benefits, Housing, Children’s) • Inspection/Enforcement – Regulatory Services, Environment, Housing • Income Collection</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fraud and Income</th>
<th>Fraud Detection</th>
<th>Service focus</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Implementation and use of data matching and analytics to identify, detect and prevent fraud.</td>
<td>• Housing • Revenues &amp; Benefits • Parking</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Income maximisation</th>
<th>Service focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Targeted work to further reduce higher cost income collection (e.g. cash and cheques). Data matching to target areas of income opportunity.</td>
<td>• Business Rates • Commercial Debts • Council Tax • Building Control • Registrars</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Community &amp; Leadership</th>
<th>Digital Leadership</th>
<th>Initial focus</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>This will focus on ensuring that key Member, Community and officer digital champions are identified to lead and inspire innovation in communities and internally. Initial focus on community leadership, demonstrable change in working practices and productivity/print reductions</td>
<td>• Members &amp; Democratic Support – Meetings/Committees Printing reduction • Community Innovation – Digital support to Ward Councillor’s role</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Community &amp; Leadership</th>
<th>Community Account</th>
<th>Service focus</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Neighbourhood and community accounts, a social platform for communities supporting their self-management, community and voluntary sector services, events, activities, sharing economy and communications with leaders in the communities.</td>
<td>• Adults Social Care • Childrens Services • Housing • Libraries</td>
</tr>
</tbody>
</table>
Building on initiatives like ‘The Key’ and opportunities around ‘citizen credit’ for volunteering or choosing healthy options, to develop an integrated transport and incentive system to keep the city moving and its citizens healthy.

Developing a City data platform to help drive smarter decision making, predict and analyse demand and take advantage of the opportunities from the Internet of Things.

### 4 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 Initial analysis has been undertaken to identify the potential benefits of the proposed digital approaches including; channel shift, staff mobility, digital demand management and cross cutting service redesign.

4.2 The expected benefits and outcomes include:

4.3 **Closing the Gap** –
Action to narrow the growing financial gap between Council budget and the cost of delivering services to meet demand.

4.4 The programme will enable the delivery of the following savings over the coming three year period:
<table>
<thead>
<tr>
<th>Productivity savings</th>
<th>Targets</th>
<th>Enablers</th>
</tr>
</thead>
</table>
| Staffing Savings     | Rising to £3.6 million per annum recurring staffing cost reduction by 2019 | • Channel shift of interactions from staff services to digital services  
• Introduction of mobile working increases productivity of staff  
• Demand deflection to community and self-support |
| Printing, Post and Travel Savings | £0.65 million per annum recurring by 2019 | • Introduction of mobile working for field and information workers  
• Online accounts to replace all paper based communications  
• Mobile devices reduce travel |
| Analytics, Procurement & Income | £1.4 million per annum recurring by 2019 | • Fraud reduction  
• Commissioning and procurement efficiencies  
• Income increases |

4.5 Improving the Customer Experience – The programme will agree and monitor key metrics of customer experience improvement including Customer Satisfaction, Ease of Effort and Council Trust scores from the City Tracker. These will include aiming to improve by 2020:

**Customer Satisfaction**
Increase from average 81% to average 90%

**Ease of Effort**
Increase from average 66% to average 80%

**Trustworthiness of the Council (City Tracker)**
Increase from 52% to 70%

**User Satisfaction with the Council (City Tracker)**
Increase from 40% to 60%

Digital Exclusion

4.6 The Programme is working closely with the partner project on Digital Inclusion and Resilience. This project working closely with Citizens Online has examined the demography of digital inclusion and has now been successful in winning Big Lottery funding to work in partnership across four national locations with the aim of developing and implementing the most effective and sustainable strategies for digital inclusion.

4.7 In addition it should be noted that the effective redesign of services have a number of real benefits to residents who are not able to access them through digital channels. These include the improved efficiency of processes. For example a simple change of address, or notification of death can require an individual to notify and talk to 8-15 separate departments and agencies. The investments are also targeted at increasing productivity of field staff to support individuals in their homes and communities.
4.8 Options Appraisal

4.9 In analysing the proposed approach to delivering the benefits, the following options were considered but not pursued by the Board:

4.10 Option 1 – Do Nothing – Under this option existing temporary funded initiatives will end March 16 and digital, channel shift, mobile and analytics development cease

Advantages –

- No investment costs

Disadvantages –

- No savings and benefits achieved
- The achievability of service’s savings plans will be significantly reduced
- Customers’ experiences deteriorate
- Existing areas of poor productivity and duplication continue

4.11 Option 2 – Single Outsourced Transformation Programme – This is the traditional approach for driving through transformation in a large complex organisation. It defines an up front target operating model for all elements of the organisation and targets transformational change to achieve this, generally supported by a single commercial transformation partner.

Advantages –

- Effective in driving out costs in static organisations
- Risk of delivery is often shared with commercial partner
- Market of commercial suppliers available to manage transformation

Disadvantages –

- Requires 12-18 month start-up phase in defining programme and sourcing transformation partner, benefits come significantly later.
- Available early outsourced frameworks do not include the required capabilities and services
- Requires multi-year up front capital commitment to procure transformation partner
- No benefits to local digital economy

4.12 Option 3 – Agile Modernisation Programme – This is the preferred option - It uses an agile delivery and governance model (outlined in Appendix 5) with all services governing and directing investment through the Board. Investments are annually renewed and supported by a flexible partnership of staff, local digital SMEs, public sector partners and underpinning commercial contracts. The client, commercial and supplier relationship management is strengthened in this model to ensure ongoing support and management of services is effective.
Advantages –

• Investments under the active control of the Executive Leadership Team to ensure a joined up organisational approach under the guidance and oversight of Members
• Encourages cooperative innovation and cross cutting service redesign
• Effective in driving out costs early and consistently in changing organisations
• Can be reduced or stopped at any point in its cycle reducing financial risk
• Quick to respond to service and customer need
• Makes use of investment in local digital SMEs
• Contract and supplier management strengthened

Disadvantages –

• Needs active driving by ELT to consider opportunities and drive benefits
• Little opportunity for risk sharing
• Dependent on supply of high skill individuals throughout the programme
• Economies of scale reduce as organisation shrinks

4.13 Selected Option – Option 3

4.14 Option 3 has been selected as the most appropriate to the current need and urgency to deliver scalable benefits and savings. The attached Business Case provides both further detail on how the costs and savings are structured as well as reviewing the possible options for how the financing of the case can best be approached.

4.15 In addition Appendices 4 and 5, set out in more detail about the programme and commercial approach selected and the associated rationale.

4.16 Investment Requirements – The investment required to deliver the programme and achieve the benefits is broken down into individual years, with the opportunity during the programme’s lifetime to reduce or stop investment on an annual basis. This follows the model of the proposed 4 year service and financial planning model, with an outline multi-year financial plan, subject to annual approval through the Council’s budget setting processes.

4.17 Annual capital investment amount – The following table outlines the annual investment profile.

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resourcing (Commissioning)</td>
<td>£0.300 million</td>
</tr>
<tr>
<td>Delivery Partners (Local Digital SMEs, Universities and Partners)</td>
<td>£1.100 million</td>
</tr>
<tr>
<td>Technology</td>
<td>£0.500 million</td>
</tr>
<tr>
<td>Innovation Fund</td>
<td>£0.100 million</td>
</tr>
</tbody>
</table>

4.18 It is intended that the programme will need to run for three years in order to achieve the stated savings. The total capital cost will be £6.000 million over the three years.
4.19 In order to have time to mobilise the partnerships and resources to target early delivery of savings in 2016/17, it is necessary to seek early agreement ahead of the annual budget setting process. This will allow the existing funded programme team to focus on this mobilisation.

4.20 This is to ensure that both the follow on investment and an up and running programme are available from April 16 to support and enable the savings proposals of services. Otherwise, the focus for the coming months will need to be on finishing the existing limited projects and decommissioning the existing team and programme.

5 COMMUNITY ENGAGEMENT & CONSULTATION

5.1 Community engagement has been carried out with regards the potential impacts of digital inclusion and the programme is working closely with the existing digital inclusion projects to ensure clear alignment.

5.2 The programme will ensure close links are made with the Community Collaboration programme, particularly around the Community MyAccount strand. There is significant potential for the programme to enable and support collaborative and resilient partnerships with communities and to contribute to methods of collaboration.

5.3 The programme supports the Aims of the Community Engagement Framework, particularly in assisting delivery of tailored information to communities, both communities of place and communities of interest.

5.4 Individual projects will require equalities impact assessments

6. CONCLUSION

6.1 The Council faces key financial and service challenges in the coming years which require immediate action to reduce costs and ensure that citizens’ services are maintained as effectively as possible.

6.2 The Customer First in a Digital Age Programme will enable swift and agile change in services, to reduce costs, manage demand, improve customer’s experiences and ready the Council to be fit for the future.

7. FINANCIAL & OTHER IMPLICATIONS:

   Financial Implications:

7.1 The amount of capital investment required to support the CFDA over the next three financial years is £2.0m pa. The investment type is detailed in paragraph 4.14 above and will be invested through the Capital Investment Programme from 2016/17 through to 2018/19. The investment may be of a capital or revenue nature and will be utilised over the next three years through either the Capital Investment Programme or through the CFDA Investment Reserve depending on the profile of spend. The current Medium Term Financial Strategy includes investment of £2m pa to support ICT capital investment. This will be met through
a combination of capital receipts, capital reserves and potential borrowing depending on the level of available resources identified through the budget process. Appendix 3 includes an assumption of the financing costs should borrowing be required and this has been offset against the potential savings that may be produced. Any ongoing revenue support costs as a direct result of the investment has also been included within the summary at Appendix 3 and these too have been netted off against potential savings to demonstrate the viability of this investment.

7.2 Productivity savings identified as part of the CFDA have been detailed within the Business Case at Appendix 1 and are subject to further testing. The savings detailed in the Business Case are based on the ICT investment enabling departmental service budgets to deliver additional income targets and productivity savings, and to assist with the delivery of the four year integrated service and financial plans. The productivity savings will be based on revenue budgets associated with printing, postage and travel savings and are estimated to deliver £0.310m in 2016/17 rising to £0.650m by 2018/19 for those areas. Staffing savings as a result of improved productivity are estimated to produce £0.300m in 2016/17 rising to £3.600m by 2019/20. These will be delivered through department service budgets. Demand management are estimated to generate £0.200m in 2016/17 rising to £1.000m by 2021/19 and again will be delivered through department service budgets. Income targets are expected to be improved through generating additional income and debt management and estimate that £0.100m can be improved in 2016/17 rising to £0.400m by 2018/19.

Finance Officer Consulted: Rob Allen Date: 24/09/15

Legal Implications:

7.3 Staffing implications in relation to this programme will need to be managed in accordance with the Council’s agreed policies and procedures for managing change. Any procurement implications must be considered and managed in accordance with the Council’s Contract Standing Orders and subject to European procurement rules.

Lawyer Consulted: Elizabeth Culbert Date: 24/09/15

Equalities Implications:

7.4 Increased use of digital technologies can bring large benefits for people, including people with some impairment types. However, significant numbers of people in the city do not have the skills, confidence, technology or desire to use online and digital methods of engaging with the council. Equally, storing data, including personal and sensitive data, may cause concern for some people. In relation to staff, again there are benefits and disadvantages to home and mobile working.

7.5 The following points will be taken into account throughout the programme:

7.6 Providing alternatives to digital access: re-routing some of the savings from these improvements to appropriate non-digital contact and support for identified
groups, including older people, disabled people, and people without access to technology.

7.7 Data collected must be kept confidential and these protections must be communicated effectively to service-users and potential service-users to avoid concerns about use of personal and sensitive data, including among BME people, LGBT people and people of specific religions/beliefs.

7.8 New forms should follow best practice guidelines, for example in including gender non-binary options in honorifics and gender choices, as relevant.

7.9 Where carers may need to have access on behalf of some individuals, the process must have flexibility to enable this, but also protect the rights and privacy of individuals who are cared for.

7.10 Staff: learning from previous and planned Workstyles changes will be taken into account, to address disadvantages potentially resulting from home or mobile working, including social isolation.

7.11 Further assessment of impacts will be built into the programme as it develops, allowing alternatives to digital options to be available, support through other council projects for individuals to gain digital skills and confidence, and protections for all users, particularly vulnerable people.

Sustainability Implications:

7.12 The programme will align with the council’s Sustainability Strategy in a number of ways:

7.13 Reduction in printing through increased use of electronic communication and electronic agendas will help reduce paper waste

7.14 Reduced travel requirements through better electronic communication, including face-to-face web chat will lead to reduced carbon emissions

7.15 Existing data storage is expected to reduce as the programme delivers improvements to the ability to share data from its original source and reduces duplication. This will lead to reduced energy requirements to power data centres. It should be noted however that new digital solutions will lead to significant new data storage in addition offsetting these reductions.

7.16 Using community innovation and predictive analysis from large data sets, the programme aims to encourage and reward active, meaningful social life, promoting good health and wellbeing.
SUPPORTING DOCUMENTATION

Appendices:

1. Customer First in a Digital Age Business Case
2. Customer First in a Digital Age Summary
3. Customer First in a Digital Age Financial Summary
4. Customer First in a Digital Age Commercial Rationale
5. Customer First in a Digital Age Programme Approach
1 Objectives

What will the programme or project achieve/what changes will it bring about?

1.1 The Vision

Services in the palm of your hand and at the heart of your community.

This programme will meet the council’s principles, as outlined in the Corporate Plan 2015-19, by providing these key outcomes:

Public Accountability – This is a digital efficiency programme that will continue our value for money work to reduce service costs and close the funding gap left by the loss of government grants.

Citizen focused – This is our digital strategy for the organisation and will determine how all services are provided and accessed by our citizens and customers. It will provide an improved customer experience by delivering a person centred design and act as a transformational tool for the council’s relationship with citizens by driving a reduction in demand.

Increased equality – It will enable us to better coordinate all public services to create a more targeted approach to meet the needs of our most vulnerable citizens.

Active citizenship – The digital platforms within this programme will help the council to engage citizens through coordinated consultation to shape future services provision. This programme also enables a more efficient way of collaborative working between staff and citizens in decision making about local services.

It aims to achieve the following key outcomes:

- Closing the Gap – Brighton & Hove City Council faces a significant financial gap which needs to be closed; in parallel citizens and communities face an inequality gap which also needs to be closed.
Full Business Case and Options Appraisal

- **Improving the Customer Experience** – As citizen’s expectations rise, so there is a continual need to keep improving the experience, delivering person centred design experiences.

- **Demand Management** – There are key areas where demographic change and citizen expectation is driving changes in demand, including transport journeys, social care and health services. This programme will seek to positively impact the demand profile through a combination of prevention and new capabilities to meet demand.

- **Fit for the Future** – The Corporate Plan sets out a vision for a very different Council, in a very different City, this programme will ensure that key capabilities and partnerships are in place to meet this changing role.

We will take an agile, user experience (UX) design led approach.

*When this programme has been successful, we will provide connected services that have been designed with and by citizens and their communities. The person will be at the centre, making use of self-service and self-management to manage the services they need. Citizens with complex needs will be able to co-produce their services in collaboration with the City.*

*Officers and partners providing public services will have the information they need when and where they need it, so that will be able provide efficient and effective services for citizens, communities and customers.*

In terms of user stories:

**As The City**

**We can** meet the individual’s and community’s needs, taking the right action at the right time

**So that** services are targeted efficiently; future demand is managed through early intervention

**As a citizen**

**I can** get the help and services I need from the right people at the right time

**So that** I am in control of the support and service I need and can simply get on with my life

The programme will deliver capability, outcomes and benefits through these workstreams:

The **Connected City** – integrated transport approaches, civic digital architecture, cultural digital spaces (e.g. Jubilee square as a virtual gallery space), City digital governance, linking and transport issues.

The **Connected Citizen** – from My Account, through My Life to the Digital Self, how personal and quantified self, operating in a connected city builds a different relationship with democratic, community, neighbourhood etc.

**Connected Communities** – how we develop digital civic leadership from Members and community leaders, how we ensure that digital and financial inclusion are aligned, ensuring
that digital and social are connecting in excluded neighbourhoods and group to improve equality of outcomes, digital skills for disenfranchised groups to improve opportunities for economic activity; support to Community and Voluntary Sector (CVS) for digital & cyber skills and capabilities

**Connecting Staff** – digital skills for staff, building partnerships, management and leadership in the digital age, internal social, digital driven by our cultural change programme

**Connecting for Business & Culture** – MyAccount for business, cashless payments platform, digital integration for SME sector, reward and incentivisation for spend with local retail, digital cultural sector development

These need to be underpinned by the technical capability workstreams:

- Information Management
- Customer Indexes (Citizen, Business etc.)
- Analytical Capabilities
- Cyber Security & Resilience

**Products and Value Propositions developed may include:**

- **My Account** – to include my accounts, my reports, my permits, my transactions, self-assessments, assisted self-assessments, my payments, my transport and my health and care data
- **My Account (Business)** – to include my accounts, my permits/licenses, my payments for business users
- **My Community** – Platform for individuals, community groups and third sector to offer, exchange and ask for support, advice, items and care
- **Our Data** – Data Union modelled on Credit Union to manage data on behalf of citizens and public service for public benefit, includes offer of secure personal data store for citizens recording of their data.
- **Mobile for staff** – new platform for efficient productive mobile working by staff
- **Assessments** – combined digital and mobile assessment processes for the council and City
- **Inspections** – combined digital and mobile inspections processes for the council and City
- **Community Ideas Platform** – Platform for citizens and community to contribute ideas
- **City Intelligence** – combined intelligence, insight and predictive analytics capabilities, drawing in new data science potential and existing practices.

We will deliver these capabilities through the following key approaches
Full Business Case and Options Appraisal

- **Design** – we will put design at the centre of our practice, working with cross skilled teams at the frontline to create, innovate and design new services. We will not hamper their energy by then running every change up 20 levels of bureaucracy, but adopt an agile approach which tests it with real staff, real customers, empowering these teams to make decisions for and with their customers.
  - Deloitte’s survey of public sector leaders 2015 identified that 86% of leaders saw user-experience design capability as a pre-requisite to successful digital shift, but 52% saw the skills as lacking in their organisation.

- **Mobile** - the reality is that the old civic, bureaucratic model of local government was designed to maintain control within the state. Our expectations as citizens and our desire as a Council is to form a new relationship with citizens and communities. This means freeing staff from offices where appropriate and enabling them to interact with their customers, citizens and communities in their communities and neighbourhoods and to do what they do so well.
  - In the GOSS Channel Shift survey 2015 organisations viewed mobile channels as being the greatest opportunity for delivering savings.

- **Customer Experience** – the evidence from private industry is that customer experience leaders significantly outperform rival companies through higher revenue and lower expenses. This includes around a 20% increase in willingness to recommend and buy again (Temkin 2012), customers spending 2.4x more (Medallia) and with 43% gain in company performance over a 6 year period (Watermark/Forrester).

- **Agile** – Agile development practices have been at the heart of the success of change across everything from the new generation of internet companies (Amazon, Google, Facebook, AirBnB etc.), to the Government Digital Service (GDS) and is core practice at many more traditional private companies (Legal and General and American Express locally for example). It essentially means that we will develop new services iteratively, producing and releasing new elements of service often and testing, testing, testing with citizens and customers whether it works for them and works for us. With room for encouraging innovation and creativity, and learning from any mistakes
  - London Borough of Hillingdon has underpinned its savings of 40%/£94.1 Million by agile service development.

- **Data** – We will be driven by the information and insight which can be gathered from data. Digital experiences create enormous insight through the data produced, from the behaviours of customers on websites, but increasingly through mobile channels much deeper insights based on their location, behaviour, demographics, even health monitoring of heart rate, step count. All this allows us to test new approaches, be experimental, get direct and immediate feedback from customers and either continue to improve or abandon early and at low cost what is not needed or wanted.
With this comes new responsibility though and we will seek to ensure effective governance approaches and data ownership approaches to ensure the trust and privacy of citizens and customers is assured.

- A recent ICO survey and report identified that 85% of UK consumers are concerned about how their personal data is passed on or sold to others and 77% are concerned about how their data is stored.

## 2 Background and context

### 2.1 Programme Drivers

#### 2.1.1 Transforming the Council:

Customer First in a Digital Age links directly with the council’s wider corporate transformation programme. As well as providing our citizens and customers with a much improved transactional experience it will also provide staff with the tools for greater locality based working and allow the council to provide a more efficient and targeted approach to the needs of families and communities.

Embracing new digital platforms such as MyAccount and mobile working with tablets is also key to strengthening the co-operative partnership between citizens, communities, enterprises and the council. It can drive active engagement of a full range of citizens in decision making and priority setting for council services and enable citizens to be equal partners in designing and commissioning services and in determining the use of public resources.

#### 2.1.2 Redefining the relationship between citizen, council and community.

The harsh reality of the Council’s model of its relationship between council, citizen and community is that it is fragmented and places a burden of time and frustration on the citizen, cost on the council and fails to draw in the value of the community. The aim of this programme is to rebalance the relationship as one of partnership.

#### 2.1.3 Shrinking finances

The other simple reality is that the rapidly shrinking financial position of the council means that we cannot continue to support the current model of practice. As the corporate plan sets out we will be significantly smaller, with stronger partnerships.

This programme aims to help ease the pain of reducing staff numbers, by transferring control over interactions to citizens, communities and customers. We will enable and encourage digital self-service and co-production and allow a leaner, better-equipped remaining workforce to focus on the jobs that only they can do, supporting and
safeguarding the most vulnerable and keeping our communities thriving and the economy growing.

2.1.4 Improving customer experience

The characteristics of our citizens and customers are changing, so we need to change and develop to meet their expectations. By 2020 at the end of this programme, digital natives will be the majority.

In approaching our services in this way, we will reduce the time and frustration for citizens and customers, so the new mobile, digital services that replace them are so good and provide such a level of control for the citizen – built on a new trust relationship – that citizens actively take their role. The evidence from private sector initiatives from Amazon to GiffGaff to Apple to many, many more is that when customers are given what they consider valuable – personalised and helpful services literally in the palm of their hand – they use that control to manage their own services. The unique nature of the City of Brighton & Hove, almost more than anywhere else, makes it ready and willing to embrace this approach.

Watermark/Forrester identified five key lessons from the customer experience leaders in private industry. They found that Customer Experience (CX) Leaders:

1. **Aim for more than customer satisfaction.** Shaping experiences that cultivate loyalty. Not just satisfaction.
2. **They nail the basics and then deliver pleasant surprises.** Building trust through getting the basics right, reliably and consistently and then going beyond that to the “nice to have.”
3. **They understand that great experiences are intentional and emotional.** It requires experiences to be intentionally designed to be great and to provoke positive emotional responses.
4. **They shape customer impressions through cognitive science.** They use a deep understanding of how people act and interpret experiences, through analytics and data to better predict the outcomes of experiences.

5. **They recognise the link between the customer & employee experience.** Happy, engaged employees help create happy, loyal customers in a virtuous circle.

*People may not remember what you did, but they remember how they felt*

### 2.1.5 Increasing community engagement

There is a similar pent-up demand and desire from communities and neighbourhoods to gain control over their services, but currently we struggle to provide the targeted and tailored support to make this easy enough for the diverse members of communities. We need to harness the opportunities created through new digital forms of participation.

### 2.1.6 Harnessing the insight from data

In creating brilliant, personalised digital services, we also create a wealth of data which can be used to continually improve these services and offer new opportunities; but also to better predict and prevent the issues in communities and for citizens and allow the council to commission the right resources for the future, whether that’s packages of care for the vulnerable or the right forms of housing for the changing demographic.

### 2.1.7 Unlocking the potential of our staff

This also helps unlock the creative and innovative potential of our staff and we will provide them with the tools to do their job; making their time more productive, helping office based staff support customers and their colleagues, reducing the time they spend pushing paper, helping staff in the field spend less time in front of a computer and travelling; and making the most of all of their time and relationships supporting the vulnerable and communities.

### 2.1.8 Establishing trust

Underpinning all this has to be a renewed relationship of trust:

- To play their part, citizens must trust that the services they need will simply be delivered
- To play their part, citizens must trust that their data is being used for the interest of their community
- To play their part, communities must trust that their voice has visible impact
- To play their part, staff must feel supported, trusted and empowered

So in short we will create

*Services in the palm of your hand and at the heart of your community.*
2.2 Programme Approach

2.2.1 Creating brilliant digital experiences built on trust

The key barriers to citizens taking active control are the credibility and trust of council services. We have seen from the City Tracker results that the view of the Council has deteriorated over the past three years. User satisfaction with the Council has dropped from 70% to 40% between 2012 and 2014. We also have a baseline position of 52% of residents trust the Council however this is 7 points below the LGA average of 59% of residents.

Key lessons from private sector customer loyalty and community support models are that we must “get the basics right” - the underpinning services we create, must be built on solid reliable service, be clear, efficient and feel affordable.

On top of this we must treat customers as individuals, using the opportunities created through digital technologies, personalising their services to create brilliant customer experiences. To do this last you must invest in brilliant personalised mobile, digital experiences and empowering staff to create face to face/phone experiences which have impact.

We need to create trust that we can develop partnerships with our communities and citizens by handing control and responsibility and inviting ideas and creativity from the City. This will help give communities a louder, stronger voice and harness the creativity and innovation in the city.
2.2.2 Designing and building brilliant digital services for citizens and customers:

Using agile, user experience (UX) and focussed on mobile offerings we will build experiences for our citizens and customers that they want to use.

The characteristics of our citizens and customers are changing, so we need to change and develop to meet their expectations. By 2020 at the end of this programme, digital natives will be the majority. The web and mobile are becoming the dominant ways that customers interact with services. Internet access is massively widespread with mobile access by far the fastest growing usage.

Brighton & Hove is a highly digital city.

The evidence shows that Brighton & Hove has a population who will engage with us digitally:

SOCITM Better Connected 2014 shows that our website is already ranked:

- 15th nationally by usage
- 10th nationally by share of the population
- 2nd most visited English unitary authority website
- 1st most visited website in the south east.

We receive more than a 1.4 Million page views a month with 54% returning users and 50% access through mobile devices.
According to our CIPFA Contact Benchmarking 2014 –

- We have significantly higher than average broadband access from citizens at 87% (against 76% average).
- We already have very high visitor rates to our website compared to household numbers:
  - Main site visits 37.09 per household against an average of 20.79
  - Page views 112.12 per household against an average of 65.67
- We have around 600,000 email contacts per annum
- However, we have relatively low ratio of online payments per household 0.73 against an average of 1.2
- Online payments – ~100,000 transactions p/a worth £13.2 Million
- And we have very high Direct Debit rates – 7.53 per household against an average of 4.80 – which is a cost effective approach
- Direct Debits – ~1 Million transactions p/a worth £164.5 Million

For the key web-forms and transactions available at present we average 200,000 page views, so the key aim is to leverage the advantage of our high traffic and shift a greater proportion of our transactions to this channel.

2.2.3 Channel Shift Objectives

There is a standard assumption in shifting the channel customers use that we will be moving customers from phone to digital – however we need to look at the actual figures on how we are in contact with customers – Our contact model is unusual as is shown in the chart below drawn from our CIPFA Contact Benchmarking for 2014 comparing Brighton & Hove City Council contact figures against the average Unitary Authority (UA) volumes:

As can be seen our phone contact levels are already relatively low. This also means that this traditional shift is much more limited in scope for us.
However we can also see that there are significant opportunities to impact on Email, Webforms and incoming mail with end to end digital transactions – Collectively these amount to more than 900,000 transactions as opposed to less than 800,000 for phone.

Each of these 900,000 transactions will have a higher than necessary handling cost. On average a phone, email, scanned mail or face to face transaction will average cost of £2.50-£8.50 while an integrated digital transaction will average £0.15-£0.39.

The Local Government Association summarised the research on channel costs as follows:

<table>
<thead>
<tr>
<th>Source channel</th>
<th>Socitm insight May 2012</th>
<th>Socitm insight Dec 2009</th>
<th>NWeGG 2006</th>
<th>Consultant study for council partnership April 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Face-to-face</td>
<td>£8.62 per transaction</td>
<td>£8.23 per visit</td>
<td>£7.81</td>
<td>£5.51</td>
</tr>
<tr>
<td>Phone</td>
<td>£2.83 per transaction</td>
<td>£3.21 per call</td>
<td>£4.00</td>
<td>£2.53</td>
</tr>
<tr>
<td>Web</td>
<td>£0.15 per transaction</td>
<td>£0.39 per visitor</td>
<td>£0.17</td>
<td>£0.17</td>
</tr>
</tbody>
</table>

The big issue with the existing older style channels (even the old webforms) is that they are not integrated, so that an email, webform or post all require a person to read, interpret, input and then act on them.

In the CIPFA/RedQuadrant Benchmarking analysis 65% of authorities identified integration as a big issue, with only 9% of service requests being fully automated. They identified data integration, culture change and demand management as the key areas of focus going forward.

The reduction in costs, principally come from removing the human element of the interaction. Phone, email, webforms and mail all principally rely on a member of staff to review, potentially input and process a transaction. The key to cost reduction is through integrated automation of processes.

So if we assumed target channel shift reductions of

- Phone – 10%
- Email Request – 50%
- Webform Request – 50%
Against these transaction volumes with a transaction cost reduction of £2-£8 per transaction it identifies a targetable saving of ~£1 - £1.5 Million per annum. This will be through a combination of costs, but mostly staffing reductions.

This is in line with the calculations by EY in the 2014 Value for Money assessment. This is also in the context of the GOSS Channel Shift survey for 2015 which for Local Authorities identifies an average expected channel shift saving of £1.5 Million. Considering the low phone contact figures in BHCC this then puts the analysis of ~£1 Million as a reasonable estimate.

Also important to note is the disproportionately high outgoing mail levels, with 1.5 Million transactions a year, three times the average for a Unitary Authority. With Outgoing Mail we also have significant printing costs as we still reply on traditional approaches to let citizens know information and ask questions. This remains a problem for both internal use and customer communication.

In 2014/15 BHCC spent £880k on bulk printing of post and signage.

2.2.4 Collecting Income

The Toynbee Hall review of Income Collection for Brighton & Hove City Council in March 2015 had the following to say as its principal finding:

“ The most significant finding is that the council continues to structure income recovery through a service-specific framework, rather than taking a holistic, customer-centred view. This means that customers owing money to more than one department receive multiple communications demanding multiple payments, and the council spends more money than necessary recovering its debts, whilst simultaneously increasing stress for residents.

The main barrier to creating a single recovery process is data; while teams each maintain a unique data system for managing their work, the bias is away from cooperation and coordination and towards silo thinking. A unified data system would help; but so would centralising more income recovery within a single team, and ensuring that teams are trained to think holistically about the customer, including being given the access and training to gather and share data about other monies owed to the council. Such an approach can only lead to better outcomes for customers and to increased efficiencies for the council.”

Digital transformation can help draw together this single view both of and for the customer or citizen, improving the experience of citizens and reducing internal costs. It is reasonable to assume that an increase in income can be achieved from addressing these issues.
2.2.5 Marketing Insights

Analytics and insight across the council should provide significant marketing advantages – e.g. nurseries know who is a new parent, pest control should see indicators of where there is need, Cityclean can identify where there are commercial premises with a poor cleanliness record.

There is a real incongruence between the Brighton digital brand, which is attracting and growing digital economy and the image the Council portrays, with our brand fallen behind the brightest and best of the local government sector. We have the potential to leapfrog the sector by using the analytical insights available and new marketing strategies which are already so strong within the City.

Take an example of diverting a small proportion of spend towards personalised digital approaches – through extending “The Key” across all forms of transport, we could introduce incentivised travel choices – e.g. cycle or walk 9 times and you could get a free bus or parking session. However you can also differentiate these through “social prescribing” approaches, so a G.P or care worker could tailor a programme for someone who is overweight, or someone recovering from an illness.

In a similar way we could look at a community credit system feeding into city rewards, so if you volunteer in your community for x hours, you receive x additional service.

2.2.6 Digital Inclusion

Of course not all of the population is using digital channels and we need to be careful to ensure that we target the right service models for the right customers and we provide an inclusive approach.

We also need to acknowledge though that the opportunities presented by new digital service models can assist those who would otherwise be excluded and work to reduce the equality gaps so clearly set out in “Look Inequality: Annual Report of the Director of Public Health Brighton & Hove 2014-15”.

This identifies key inequalities including skills and education, employment gaps and the challenges being posed by welfare reform in the city.

Citizens Online set out a demographic baseline for digital inclusion in their key report in February 2015. This outlines the demographic profiles of customers and citizens who will need the most assistance. This includes the personalised support to ensure that they can better access digital services, develop the skills to help them succeed and ultimately encourage self-sufficiency in this field.

This will include strong demographic and community based targeting of service and partnership working through innovative models. This programme will work closely to ensure
that these aims are supported and new opportunities are identified through its lifetime. For example through apprenticeships and the development of new models of service.

2.2.7 Supporting Communities to Support Citizens

67% of residents in Brighton & Hove agree that people living in the area do pull together to improve it (City Tracker Nov 14), this is above the national average of 60%. 1 in 3 residents volunteer formally which is below the national average of 41%.

Volunteers in Brighton & Hove contribute 5.7 Million hours of work a year, which if paid at the Living Wage would be worth £44 Million annually.

This does suggest that finding new ways for individuals and communities to support and be self-sufficient has the potential to help close the gap not only financially but also to inequality.

Recent digital initiatives have demonstrated the powerful combination of volunteering and digital practices to both draw new people into volunteering and create new shared economy practices which could not previously exist. Examples include Casserole Club, a digital based service whereby individuals connect with older people to provide them with a meals, as a replacement to a paid meals on wheels service.

A recent NESTA review of Smart Cities initiatives “rethinking smart cities from the ground up” outlined that the most successful and impactive initiatives were the ones focused on people and their interaction with data. Like...

In Paris where the Mayor is crowdsourcing ideas to make Paris a better place and placing E500 Million behind it.

Or PiMi Airbox, a low cost air monitoring kit which citizens have and is creating a map of the air quality across Beijing.

Or BlockPooling in Singapore, a social network for communities to enable neighbours to share belongings and offer and ask for services.

These examples and more are promoted and often kick started by local government to solve the same kinds of problems as Brighton & Hove, in partnership with its communities and citizens and drawing on the new opportunities that digital technology can bring.

Brighton & Hove as a city has a thriving creative and digital sector who will help bring these ideas to life and help make change a reality.

We will commit a minimum of 5% of the investment in the programme each year to open innovation in the community.
2.2.8 **Unlocking the potential in our workforce**

The importance of empowering our frontline workers and partners is vital to creating brilliant experiences for our citizens, communities, businesses and visitors.

We need to respond to the needs expressed by staff in the staff survey and provide the right tools, culture and environment so staff are empowered to get on and deliver. We have a fantastic, passionate workforce. This has been born out time and time again when we talk to our customers and citizens who praise the commitment, professionalism and care with which our staff treat them, even when their overall experience of dealing with the Council is not the positive one we aspire to.

So we need to do some simple but powerful things to unlock the potential in our frontline and strengthen their capabilities at a very challenging time -

- **The right tools for the job** – We need to dedicate the same care and attention of the design and user experiences for our staff that we will for our Citizens and Communities. Providing workers with well designed, modern, simple tools that enable them to get on with their key role of working with their customers, citizens, clients and communities and supporting each other.

- **Unlocking creativity and innovation** – We need to empower staff to work with partners, customers, citizens and communities to create new services, to be innovative and radical in their approaches, breaking down the silos that still fetter their ability to act and citizens interactions with public service.

- **Driven by our insight** – We need to ensure staff, customers, citizens and communities can see the impact of their changes and rigorously test and challenge whether they are good enough. We must be driven by the data, our customer’s insight and our collective view of the intelligence in the City.

- **An agile public service intelligence service** – Bring together existing analytical capabilities from transport, customer, public health, children’s and adult services – supported by information management functions –
  - Learn from the approaches being adopted by West Sussex County Council and Norfolk County Councils.
  - Partner with local Universities to grow our talent.
  - Underpin with Data Union, create compelling propositions for citizens use allowing crowdsourced gathering of data, including health monitoring, transport etc.
  - Allows for safer partnerships with private sector providers (e.g Go Ahead group) clear arrangements about data ownership, privacy etc.
2.2.9 **Digital Demand Management**

We will embed the learning from demand management into the design of digital experiences. We focus on how digital interactions with and within communities can build new opportunities for self-sufficiency and co-support.

### 3 Benefits

*What high level financial and non-financial benefits (ie. measurable improvements) will it deliver?*

#### 3.1 Closing the Gap

See the attached financial model for detail of projected savings.

Key areas of savings are:

#### 3.1.1 **Channel Shift Savings**

These are the savings released by moving from more expensive interactions between the council, citizens and customers to cheaper digital experiences.

CIPFA Research paper “Delivering the Digital Dividend” states three key points very clearly that

1. **“The potential savings from digital self-service are real”** and has used multi-national comparisons to look at the potential success or otherwise and why the UK has been poor at delivery, despite the fantastic potential.

2. It also stresses that “uptake has to be actively managed with service users and change has to be actively managed within your organisation.”

3. And “Savings are only realised when the reductions in manpower and premises requirements that self-service creates are actually taken as savings.”

The Goss Interactive Survey found estimated savings for channel shift were £1.5 Million for local authorities.

The government’s Local Digital Today 2014 survey found that average savings from digital to date by local authorities was now £1.4 Million.

The estimate of savings for Brighton & Hove City Council based on incoming channels is circa £1-1.5 Million annual (calculations are later in this document)

This is also born out by EY’s analysis of the Channel Shift opportunity in their 2014 Value for Money work.
In addition outgoing mail (postal costs) – 50% reduction from 1.5 Million items annually will save 50% of £650k = £320k

### 3.1.2 **Productivity savings (Mobile):**

- **Printing Costs** – increased mobility and use of devices reduces the need to print both for field staff and for meetings

Examples include **20% reduction in internal print cost against 2014/15 cost of £880k = £174k**

**25% reduction in printing costs from MultiFunctionDevices =£32k**

- **Travel Costs** – reduction in return to base journeys reduces travel costs

The **Workstyles programme has already impacted to reduce costs, but 10% reduction in staff travel costs against cost of £1.2 Million is £120k annual.**

### 3.1.3 **Staff and Agency Costs**

Mobile, Channel Shift and Demand Management will all impact the necessary staffing/resource levels required.

- **Agency costs** – with increase in productivity and reduction in process costs there is a reduced dependency on agency to fill demand gap
- **Staff savings** – productivity savings through increased process efficiency

The savings are achieved through a number of key areas and may come from all parts of the workforce. For example:

- **Digital Channel Shift** – The majority of the Council’s many customer facing (citizen, community and internal) processes are heavily dependent on manual staff time to
  
  - 1. Interact with the customer/citizen gathering information and providing advice
  - 2. Input and assess data provided by customers/citizens delivering an outcome or service.
  - 3. Update and advise customers/citizens on outcomes, changes, requirements

  This will often involve the traditional tools of face to face or phone conversations backing up paper forms, note taking, computer input, assessments,

  Digital channel shift builds on the techniques of service redesign and business process improvement offering the opportunity to

  - streamline process
The key to scaling the benefits is to build up capabilities which are currently duplicated across the council and partners, providing a single, digital interaction for each. For example:

- Proving a citizen’s identity
- Demonstrating evidence of residency
- Collecting and automating financial assessments
- Updating a customer on progress of their “case”

As much as the Council develops many unique and important relationships with its customers, there are many common functions and processes dependent on common data.

This means that the longer the programme works at developing these new capabilities the greater the opportunities to reduce the need for staff time in completing processes.

Based on the channel shift examples referenced already and the worked examples so far developed there is at least a 1:10 ratio between the cost of a fully automated digital process to a human/staff process.

As the programme scales up to move more and more interactions and processes into this model, the proportional benefits grow as capabilities already developed can more cheaply be adapted for new use cases. This provides the opportunity to more radically redesign the services, using common information and processes designed from the perspective of the customer not the council.

So as a simple example, building on the one documented above, dealing with a customer’s change of address is a common need across many areas of the council. Once a simple digital service has been developed, this can then be adapted to work with many other back end processes depending on the circumstances of the individual.

**Digital Demand Management**

Digital demand management creates staff savings and income benefits in a slightly different way. For channel shift, we are generally automating and streamlining necessary service interactions between customers and providers. In the case of demand management the aim is to either

1. Avoid that demand ever reaching the council or
2. Increase demand for income generating services.

Again the aim is to reduce the amount of work required by staff not supported by income and therefore reduce the number of staff required, or increase the income levels available.

The reduction in demand can be achieved by firstly better understanding the support individuals require and signposting more effectively. Where this is based on a strong analysis of the data, personalised recommendations can be provided through digital channels providing the advice that would take several individuals within the council to provide through a number of visits and conversations.

Equally by better personalising marketing opportunities and bringing data together to identify income opportunities relevant to the citizen/customer income increases can be achieved.

An example of demand deflection could be providing proactive emails/texts/tweets to a family with a child with autism, highlighting charitable and voluntary support and events within the local community. This proactive signposting could lead to the family’s primary route to support and advice being their community/support group, rather than the local authority.

**Mobile**

Mobile delivers savings by increasing the efficiency of staff when they are on visits and inspections. Staff are better able to answer a variety of questions and provide fuller and richer advice to customers as they can access the information in real time, without returning to the office. Equally they can complete forms and notes on site, without having to write them down and then return to the office and then type them up and input into computers.

For example a Children’s Social Worker would be able to reduce their time in the office, the amount of printing needed, the travel time consumed and carry out more visits and case work in the time available. This will help contain the significantly increased demand levels and reduce the need for agency staff. This full supports the new pod arrangements proposed.

The information is made available to other staff in real time, increasing the efficiency of process and reducing failure demand from customers chasing progress.

Staff are able to spend more of their time engaged with customers in the field, reducing travel time and cost.

Staff also no longer need to print out case details, forms etc. for going through with customers, further reducing costs.

With access to mobile devices in meetings, staff also no longer need to print documents for meetings, leading to significant reduction in printing and increased efficiency in their time.
typical meeting of 10-12 staff will have 10-12 copies of a document printed for the meeting and then disposed of after the meeting. Large meetings (for example committees) with considerable volumes of documentation have this issue at a larger scale. For example, recent estimates are that just by removing or reducing printing from committees could save £30,000 or more.

**Targeted 1% reduction each year in staff costs for frontline services through digital, mobile and service transformation = £1.2 Million per year of transformation**

1% is at the bottom end of potential savings, the largest potential is through more aggressive targeted de-duplication and service redesign – for example Assessments, Debt Recovery and Inspections are major tasks that are undertaken by the authority but are broken up with additional costs leading to a poor customer experience and high internal costs.

**With the programme in place and a clear mandate the programme can do the discovery work to identify the cost savings against these major areas of duplication.**

- **Post handling costs** – increase in digital channels reduces need for post handling including post room and scanning costs across multiple teams. So for example moving a transaction from being handled by paper forms which are posted out to customers and then returned to the council, scanned in and then reviewed by staff to being offered as a digital service will reduce the costs as follows:
  - printing the correspondence
  - staff handling the outgoing post
  - postal costs
  - staff handling the incoming post
  - staff scanning the incoming post
  - staff reviewing and acting on the incoming post

In many of these examples we also find that the information received by post is incomplete, so one or more additional cycles of writing out to the customer and dealing with incoming correspondence is required, each with their own costs. As noted above there is significant scope for reducing both the outgoing post (1.5 Million items) and incoming post.

### 3.1.4 Additional Income

Driving additional income from customers through strong and positive customer experience, means customers choose to pay for more service throughout their customer journey. The evidence from private sector customer experience leaders is that customers buy 2.4 x more service, choose to stay with brands for longer and recommend and advocate for the brand 20% more. There is opportunity therefore to both create new services which we can charge for and drive further uptake of existing services.
There are therefore some opportunities to drive more income with some limited opportunities to reduce transaction costs. Based on the initial targeting of the Income and Debt Management Programme a target of £400k is indicated.

3.1.5 Demand Management Savings

There are a variety of estimates on the size of the opportunity in deflecting demand into community support and self-sufficiency. These are commonly at the level of 10-15% of current revenue cost (e.g. imPower and RSA reports). However it should also be acknowledged that demand across the most costly services continues to increase. This is particularly seen across Adult Social Care and Children’s Social Care creating an increasing pressure on the budget positions of these service areas.

A broad estimate has been used that this of the same order as the core channel shift savings. This savings area will require careful tracking by targeting particular forms of demand and ensuring that monitoring against existing projections are maintained through the life of the programme.

3.2 Improving the customer experience

Core to the programme is the impact on citizens and customer experience. The programme will aim to improve the following key indicators:

3.2.1 Customer Satisfaction

Increase from average 81% to average 90%

3.2.2 Ease of Effort

Increase from average 66% to average 80%

3.2.3 Trustworthiness of the Council (City Tracker)

Increase from 52% to 70% by 2020

3.2.4 User Satisfaction with the Council (City Tracker)

Increase from 40% to 60% by 2020

3.3 Demand Management

The RSA’s summary and analysis of research on Demand Management (Managing Demand, Building Future Public Services) outlines that the use of key approaches has the potential to make significant savings (10-15% of revenue) and improve the resilience of the local government sector.

The programme will look to harness key approaches from this area to reduce, deflect or in some areas increase demand for services to encourage a more appropriate and affordable balance of who and delivers service. This will include approaches on
3.3.1 **Community leadership**

Recognise that demand is political – transformative change requires political buy-in, and it is vital that local politicians lead new collaborative conversations with citizens.

3.3.2 **Building insight**

- get closer to communities – creating the methods to generate deeper insight into the needs, wants and aspirations of citizens. Like in Lambeth and Sunderland.
- Get beyond the services and build new partnerships – as Oldham Council’s work in addressing transport and energy costs demonstrates.

3.3.3 **Changing behaviour**

- Leverage emerging data on outcomes and behaviour
- Build trust to change behaviour – long term behaviour change requires a two-way relationship, with responsibility on both citizens and state, and high levels of trust between them. This is a challenge for all public agencies, but Ipsos MORI find that 79 percent of citizens trust their local council to make ‘difficult decisions’, as opposed to 11 percent for central government.

3.3.4 **Changing the system**

- Think whole system, whole place – managing future demand will be about scaling up isolated, service-based practice and embedding a culture shift across public organisations.
- Work collaboratively across agencies and sectors – the default assumption for local public services should be for outcome-focused collaboration around the holistic needs of citizens.

**KPIs will be developed early in the life of the programme to monitor the effectiveness of demand management practices in the context of new digital services.**

3.4 **Fit for the Future**

The programme will through its life will develop new and changed capabilities within the City and the partnerships to properly support and deliver them.

These will include:

- **Digital Development** – building on the brilliant creative digital sector in the City
- **Public Service Analytics and Intelligence** – drawing together the excellent practice already in the City with new predictive capabilities
- **A co-operative Data Union** – modelled on the Credit Union concept to hold, manage and draw value from citizen’s and public service data
There will also be radically transformed services, designed around the citizen for key, common types of service, including:

- Assessments
- Inspections
- Income Collection

## 4 Options appraisal

### 4.1 Option 1 - End Customer First in a Digital Age Programme March 2016

<table>
<thead>
<tr>
<th>1. Description of the option</th>
</tr>
</thead>
<tbody>
<tr>
<td>This option represents the equivalent of a “Do Nothing” Option, which in this case means stopping all existing work on MyAccount, Digital Development and Mobile when the existing ICT Investment Programme ends, March 2016. End Customer First in a Digital Age Programme March 2016 when the existing investment from the Modernisation Fund and ICT Investment Programme ends. End the existing developments following this end of current investment period, as per the current funding agreement. MyAccount, Mobile and Information Management improvements will therefore end after March 2016. As the development of these is not possible within existing resources, no further development of these solutions and services will be possible after this date. This will lead to existing planned service redesigns and demands from services for new service redesigns and savings being impossible to deliver. This will put at risk the savings plans from 2016/17 onwards.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2. Is this the preferred option?</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3. Cashable benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>No new benefits delivered and existing planned service redesigns and predicted savings by departments will need to be reviewed for the feasibility.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4. Non-cashable benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current situation</strong></td>
</tr>
<tr>
<td>------------------------</td>
</tr>
</tbody>
</table>
5. Costs*

<table>
<thead>
<tr>
<th></th>
<th>2016/17</th>
<th>2017/18</th>
<th>Total (both years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No new costs incurred</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Totals (per year) &amp; grand total</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

6. Funding

No further funding

7. Resources

What staffing resources are required to deliver the programme or project?

n/a, programme closed, staff returned to substantive posts or let go at end of contract

Are any specialist skills required to deliver the project (beyond those identified above)? If so, how will these be acquired?

n/a

8. Risks and opportunities (of this option)

<table>
<thead>
<tr>
<th>Risk description</th>
<th>Potential consequences</th>
<th>Likelihood (1 = almost impossible, 5 = almost certain)</th>
<th>Impact (1 = insignificant, 5 = catastrophic/fantastic)</th>
<th>Mitigating controls and actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closure of programme before products and services widely adopted and embedded</td>
<td>Benefits of existing investment not fully realised. Development of MyAccount and Mobile only possible by sponsorship/funding of individual customers</td>
<td>4</td>
<td>4</td>
<td>Pursue individual customer teams/departments for elements of funding to continue more limited work</td>
</tr>
</tbody>
</table>
Full Business Case and Options Appraisal

<table>
<thead>
<tr>
<th>Ending of programme will lead to loss of staff and their developed skillsets</th>
<th>Skillsets developed within programme are lost due to ending of funding. Practices around user experience design, agile, customer insight, mobile and development lost from BHCC as not held by permanent staff and not part of existing services.</th>
<th>4</th>
<th>4</th>
<th>Work to transfer and document some practices before programme end</th>
</tr>
</thead>
<tbody>
<tr>
<td>The opportunities to develop new practices within the organisation are lost</td>
<td>BHCC continues to fall behind reputationally and fails to develop the necessary skills to impact its financial problems</td>
<td>3</td>
<td>3</td>
<td>Look at different ways to develop skills within BHCC or partners</td>
</tr>
</tbody>
</table>

9. **Outline programme or project plan**

n/aa

10. **Stakeholder consultation**

Stakeholder consultation has taken place with the Executive Leadership Board and respective DMTs to identify required and planned benefits and capabilities required. These requested capabilities and plans will not be met under this option.

11. **Equalities**

No EIA will be necessary as no new capabilities will be delivered.

12. **Sustainability**

n/a

4.2 **Option 2 – Small Scale Team**

1. **Description of the option**

Under this option the core small investment in technology will be supported by a small team.
over the 4 years.

Without and scale and the ability to work in a deep way with services and at pace to deliver capabilities, progress will be slow and the scale of benefits will be significantly lower than option 3.

2. Is this the preferred option?

No

3. Cashable benefits

See financial model

4. Non-cashable benefits

<table>
<thead>
<tr>
<th>Current situation</th>
<th>Benefit expected</th>
<th>Measured outcome that you hope to achieve</th>
<th>How will the benefit be measured?</th>
</tr>
</thead>
<tbody>
<tr>
<td>See text in business case</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5. Costs*

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2016/17</th>
<th>Total (both years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>See attached cost model (2)</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Totals (per year) &amp; grand total</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>
6. Funding

£0.5 Million technology investment is the existing amount within the ICT Fund and already included in the MTFS.

The additional £0.5 Million brings the total annual cost to £1 Million, which is half of the already indicated revision to the MTFS Investment Level of £2 Million reported to Policy and Resources Committee on 9th July 2015.

The funding model shows a borrowing assumption for the annual investment sum of £1 Million with all borrowing costs included in the model.

Service Pressures to support the new capabilities will need to be met by increases to revenue budget, under this model the service pressure will exceed the savings in 16/17 by £165k, but from 17/18 can be met by the savings generated by the programme.

7. Resources

What staffing resources are required to deliver the programme or project?

See cost model, resourcing is modelled as same for options 2 & 3

Are any specialist skills required to deliver the project (beyond those identified above)? If so, how will these be acquired?

There are a variety of options on how to acquire the resources, including

1. Recruit Internal
2. Shared Service
3. Outsourced
4. Hybrid internal and partner

All options will be considered alongside the Support Function Review.

8. Risks and opportunities (of this option)

<table>
<thead>
<tr>
<th>Risk description</th>
<th>Potential consequences</th>
<th>Likelihood (1 = almost impossible, 5 = almost certain)</th>
<th>Impact (1 = insignificant, 5 = catastrophic/fantastic)</th>
<th>Mitigating controls and actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shift in BHCC strategic approach over lifetime of</td>
<td>Inability to deliver return on upfront investment levels</td>
<td>3</td>
<td>4</td>
<td>Delay start of programme</td>
</tr>
</tbody>
</table>

Shift in BHCC strategic approach over lifetime of
## 9. Outline programme or project plan

<table>
<thead>
<tr>
<th>borrowing reduces opportunity for savings</th>
<th>pending more detailed engagement through development of four year financial plans. Review scale of opportunities available.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chosen Support Functions Review option for service delivery of ICT does not support opportunity to deliver programme</td>
<td>Leading to inability to deliver programme benefits and return on investment</td>
</tr>
<tr>
<td>Upfront analysis of benefit opportunities not adequately robust</td>
<td>Leading to inability to deliver return on investment</td>
</tr>
</tbody>
</table>

## 10. Stakeholder consultation

Stakeholder consultation has taken place with the Executive Leadership Board and respective DMTs to identify required and planned benefits and capabilities required. Only a limited set of the capabilities and plans will be met under this option.
11. Equalities

EIAs will be developed for all relevant new capabilities and in support of the impact of staffing reductions. Digital Inclusion will remain an important element of ensuring that equalities impacts are not disproportional.

12. Sustainability

n/a

4.3 Option 3 - Scaled Team

1. Description of the option

Under this model a scaled up team is established allowing the programme to address multiple service areas and capabilities and move at pace to deliver savings and benefits.

Under this model, BHCC borrows/funds only one year ahead of costs to be incurred. This allows for the Board to reduce or increase the funding with the scale of its ambitions. So if the model is found to be working effectively it can be scaled up, while if the circumstances change and this is no longer the required approach it can be scaled down or stopped.

Allows for smaller financial exposure if model is not proven to work or
Allows for increased funding if model proves successful

Resourcing to be managed initially on a 2 year fixed term/ 2 year contract basis, allowing for review by CFDA Board against success criteria approaching the 2 year mark.

2. Is this the preferred option?

Yes

3. Cashable benefits

Base model has a return on investment by 2020/21, see financial model for details

4. Non-cashable benefits

<table>
<thead>
<tr>
<th>Current situation</th>
<th>Benefit expected</th>
<th>Measured outcome that you hope to achieve</th>
<th>How will the benefit be measured?</th>
</tr>
</thead>
<tbody>
<tr>
<td>See text in business case</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5. Costs*
<table>
<thead>
<tr>
<th>See attached model business case 3</th>
<th>2015/16</th>
<th>2016/17</th>
<th>Total (both years)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Totals (per year) &amp; grand total</strong></td>
<td></td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>
6. Funding

See attached business case model (business case 3)

7. Resources

*What staffing resources are required to deliver the programme or project?*

See attached business model

*Are any specialist skills required to deliver the project (beyond those identified above)? If so, how will these be acquired?*

There are a variety of options on how to acquire the resources, including

1. Recruit Internal
2. Shared Service
3. Outsourced
4. Hybrid internal and partner

All options will considered alongside the Support Function Review.

8. Risks and opportunities (of this option)

<table>
<thead>
<tr>
<th>Risk description</th>
<th>Potential consequences</th>
<th>Likelihood (1 = almost impossible, 5 = almost certain)</th>
<th>Impact (1 = insignificant, 5 = catastrophic/fantastic)</th>
<th>Mitigating controls and actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shift in BHCC strategic approach over lifetime of programme reduces opportunity for savings</td>
<td>Inability to deliver return on upfront investment levels</td>
<td>3</td>
<td>2</td>
<td>Close early or redirect investments, exposure limited by lower upfront borrowing</td>
</tr>
<tr>
<td>Chosen Support Functions Review option for service delivery of ICT, does not support opportunity to deliver programme</td>
<td>Leading to inability to deliver programme benefits and return on investment</td>
<td>3</td>
<td>4</td>
<td>SRO to ensure alignment of SFR with programme requirements.</td>
</tr>
<tr>
<td>Upfront analysis of</td>
<td>Leading to inability to</td>
<td>3</td>
<td>2</td>
<td>Ensure that</td>
</tr>
</tbody>
</table>
benefit opportunities not adequately robust | deliver return on investment | structuring of resource costs have appropriate break points to allow change of approach (e.g. 2 year fixed term contracts). Lower upfront investment mitigates against financial exposure

9. Outline programme or project plan

10. Stakeholder consultation

Stakeholder consultation has taken place with the Executive Leadership Board and respective DMTs to identify required and planned benefits and capabilities required. These requested capabilities and plans can be met under this option, but will still require careful prioritisation by the Board.

Close relationships are being established with other parts of the modernisation portfolio, as it expected that requirements and need for new solutions and capabilities will also be fed by these projects and programmes.

For example the Income and Debt Management and BPI programmes will identify opportunities to be developed with CFDA. The following digram tries to show how theses relationships could flow.
11. Equalities
EIAs will be developed for all relevant new capabilities and in support of the impact of staffing reductions. Digital Inclusion will remain an important element of ensuring that equalities impacts are not disproportional.

12. Sustainability
n/a

5 Authority to proceed
This business case needs to be approved via the appropriate governance route before the programme or project can be implemented. Please complete the table below to confirm where this authority was obtained. Please ensure the agreement was minuted.

<table>
<thead>
<tr>
<th>Meeting where authority to proceed was obtained</th>
<th>Date of meeting</th>
</tr>
</thead>
</table>
Customer First in a Digital Age

Services in the palm of your hand and at the heart of your community.

Brighton & Hove is a highly digital city; citizens expect the brilliant personalised experiences they get in their consumer life.

However, the harsh reality of the city’s model of its relationship between council, citizen and community is that it is fragmented and places a burden of time and frustration on the citizen, cost on the council and fails to draw in the value of the community.

The aim of this 3 year programme is to rebalance the relationships as ones of co-operation and partnership and meet our citizens’ and communities’ expectations that they can influence and control.

Programme Deliverables

The programme will incorporate a number of key projects working to deliver these outcomes, including:

- **Citizen MyAccount** – A single mobile account for citizens to own and manage their own data, update their details, make reports and service requests, pay for services, carry out self-assessments, manage their health data, control their personal budgets and care relationships.

- **Business MyAccount** – A single account for business’ interactions with the Council allowing access to their own data, change their details, make reports and service requests, make payments and apply for licenses and permits.

- **Community Account** – Neighbourhood and community accounts, a social platform for communities supporting their self-management, community and voluntary sector services, events, activities, sharing economy and communications with leaders in the communities.

- **Staff Mobility** – modern mobile device access for staff in the field to improve their productivity, reduce printing and travel, access information at the point of need and streamline cross-council business processes.

- **Connected City** – cross city and cross sector digital services including ‘Citizen/Community Credit’, incentives and cross-transport ticketing approaches.

- **City Intelligence** – pooled public and private data to support analytics, public decision making, smarter procurement, fraud detection and approaches to managing demand.

Programme Priorities

The initial prioritisation of the programme will target early delivery of savings through the following cross cutting approaches:

- **Channel Shift** – The top 50 volume of simple transactions have been identified and will be targeted to achieve channel shift to digital and reduce costs.

Initial target service areas are:

- Revenues
- Parking
- Planning
- CityClean
- Libraries
- Adult Social Care Advice & Assessments

- **Staff Mobility** – there is significant demand for delivery on mobile working practices for staff groups – resources will be targeted by the board in support of initial target areas post pilot to be agreed by Board, early savings indications will focus on:
  - Adults Social Work and Assessments
  - Children’s Social Work and Assessments
• Cross Cutting Services – Early discovery work indicates that significant cost reduction and service improvements can be achieved across the following high cost functions with duplication across the Council through redesign from the perspective of the customer
  o Assessments – Financial & Eligibility (Adult Social Care, Revs & Bens, Housing, Children’s)
  o Inspection/Enforcement – Regulatory Services, Environment, Housing
  o Income Collection

• Demand Management/Intelligence – Early work will focus on fraud detection, development of intelligence models for commissioning and community innovation for community involvement
  o Fraud Detection –
    § Housing Tenancy
    § Benefits
  o Adult Social Care Commissioning
  o Community Innovation – support for local community sharing economy

• Digital Leadership – This will focus on ensuring that key Member, Community and officer digital champions are identified to lead and inspire innovation in communities and internally. Initial focus on community leadership, demonstrable change in working practices and productivity/print reductions –
  o Members, ELT, Democratic Support – Meetings/Committees Printing reduction
  o Community Innovation – Ward Councillor digital leadership role

Investment and Savings – Funding in Medium Term Financial Strategy

The following table outlines the annual investment profile

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resourcing (Commissioning)</td>
<td>£0.300 million</td>
</tr>
<tr>
<td>Delivery Partners (Local Digital SMEs, Universities and Partners)</td>
<td>£1.100 million</td>
</tr>
<tr>
<td>Technology</td>
<td>£0.500 million</td>
</tr>
<tr>
<td>Innovation Fund</td>
<td>£0.100 million</td>
</tr>
</tbody>
</table>

The programme will enable the delivery of the following savings over the coming three year period:

<table>
<thead>
<tr>
<th>Productivity savings</th>
<th>Targets</th>
<th>Enablers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staffing Savings</td>
<td>Rising to £3.6 Million per annum recurring staffing cost reduction by 2019</td>
<td>• Channel shift of interactions from staff services to digital services</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Introduction of mobile working increases productivity of staff</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Demand deflection to community and self-support</td>
</tr>
<tr>
<td>Printing, Post and Travel Savings</td>
<td>£0.65 Million per annum recurring by 2019</td>
<td>• Introduction of mobile working for field and information workers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Online accounts to replace all paper based communications</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Mobile devices reduce travel</td>
</tr>
<tr>
<td>Analytics, Procurement &amp; Income</td>
<td>£1.4 Million per annum recurring by 2019</td>
<td>• Fraud reduction</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Commissioning and procurement efficiencies</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Income increases</td>
</tr>
</tbody>
</table>
# Customer First in a Digital Age
## Business Case Financial overview

<table>
<thead>
<tr>
<th></th>
<th>16/17</th>
<th>17/18</th>
<th>18/19</th>
<th>19/20</th>
<th>20/21</th>
<th>21/22</th>
<th>22/23</th>
<th>23/24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Borrowing</td>
<td>-£ 1,500,000</td>
<td>-£ 1,500,000</td>
<td>-£ 1,500,000</td>
<td>-£ 1,500,000</td>
<td>-£ 1,500,000</td>
<td>-£ 1,500,000</td>
<td>-£ 1,500,000</td>
<td>-£ 1,500,000</td>
</tr>
<tr>
<td>ICT Capital Fund</td>
<td>-£ 500,000</td>
<td>-£ 500,000</td>
<td>-£ 500,000</td>
<td>-£ 500,000</td>
<td>-£ 500,000</td>
<td>-£ 500,000</td>
<td>-£ 500,000</td>
<td>-£ 500,000</td>
</tr>
<tr>
<td><strong>Total Capital Financing</strong></td>
<td>-£ 2,000,000</td>
<td>-£ 2,000,000</td>
<td>-£ 2,000,000</td>
<td>-£ 2,000,000</td>
<td>-£ 2,000,000</td>
<td>-£ 2,000,000</td>
<td>-£ 2,000,000</td>
<td>-£ 2,000,000</td>
</tr>
<tr>
<td>Programme Costs</td>
<td>£ 300,000</td>
<td>£ 300,000</td>
<td>£ 300,000</td>
<td>£ 300,000</td>
<td>£ 300,000</td>
<td>£ 300,000</td>
<td>£ 300,000</td>
<td>£ 300,000</td>
</tr>
<tr>
<td>Digital Partnerships</td>
<td>£ 1,100,000</td>
<td>£ 1,100,000</td>
<td>£ 1,100,000</td>
<td>£ 1,100,000</td>
<td>£ 1,100,000</td>
<td>£ 1,100,000</td>
<td>£ 1,100,000</td>
<td>£ 1,100,000</td>
</tr>
<tr>
<td>Technology Investment</td>
<td>£ 500,000</td>
<td>£ 500,000</td>
<td>£ 500,000</td>
<td>£ 500,000</td>
<td>£ 500,000</td>
<td>£ 500,000</td>
<td>£ 500,000</td>
<td>£ 500,000</td>
</tr>
<tr>
<td>Community Investment</td>
<td>£ 100,000</td>
<td>£ 100,000</td>
<td>£ 100,000</td>
<td>£ 100,000</td>
<td>£ 100,000</td>
<td>£ 100,000</td>
<td>£ 100,000</td>
<td>£ 100,000</td>
</tr>
<tr>
<td><strong>Total Spend Profile</strong></td>
<td>£ 2,000,000</td>
<td>£ 2,000,000</td>
<td>£ 2,000,000</td>
<td>£ 2,000,000</td>
<td>£ 2,000,000</td>
<td>£ 2,000,000</td>
<td>£ 2,000,000</td>
<td>£ 2,000,000</td>
</tr>
<tr>
<td>Resource Savings</td>
<td>£ 300,000</td>
<td>£ 900,000</td>
<td>£ 1,200,000</td>
<td>£ 1,200,000</td>
<td>£ 1,200,000</td>
<td>£ 1,200,000</td>
<td>£ 1,200,000</td>
<td>£ 1,200,000</td>
</tr>
<tr>
<td>Print</td>
<td>£ 100,000</td>
<td>£ 109,250</td>
<td>£ 78,500</td>
<td>£ 78,500</td>
<td>£ 78,500</td>
<td>£ 78,500</td>
<td>£ 78,500</td>
<td>£ 78,500</td>
</tr>
<tr>
<td>Travel</td>
<td>£ 60,000</td>
<td>£ 60,000</td>
<td>£ 60,000</td>
<td>£ 60,000</td>
<td>£ 60,000</td>
<td>£ 60,000</td>
<td>£ 60,000</td>
<td>£ 60,000</td>
</tr>
<tr>
<td>Demand Management</td>
<td>£ 200,000</td>
<td>£ 300,000</td>
<td>£ 500,000</td>
<td>£ 500,000</td>
<td>£ 500,000</td>
<td>£ 500,000</td>
<td>£ 500,000</td>
<td>£ 500,000</td>
</tr>
<tr>
<td>Improved Income</td>
<td>£ 100,000</td>
<td>£ 100,000</td>
<td>£ 200,000</td>
<td>£ 200,000</td>
<td>£ 200,000</td>
<td>£ 200,000</td>
<td>£ 200,000</td>
<td>£ 200,000</td>
</tr>
<tr>
<td>Increased Support Costs</td>
<td>-£ 200,000</td>
<td>-£ 250,000</td>
<td>-£ 300,000</td>
<td>-£ 300,000</td>
<td>-£ 300,000</td>
<td>-£ 300,000</td>
<td>-£ 300,000</td>
<td>-£ 300,000</td>
</tr>
<tr>
<td><strong>Total Revenue Savings</strong></td>
<td>£ 710,000</td>
<td>£ 1,319,250</td>
<td>£ 1,678,500</td>
<td>£ 1,200,000</td>
<td>£ 1,200,000</td>
<td>£ 1,200,000</td>
<td>£ 1,200,000</td>
<td>£ 1,200,000</td>
</tr>
<tr>
<td>Cumulative Revenue Savings</td>
<td>£ 710,000</td>
<td>£ 2,299,250</td>
<td>£ 3,707,750</td>
<td>£ 4,907,750</td>
<td>£ 4,907,750</td>
<td>£ 4,907,750</td>
<td>£ 4,907,750</td>
<td>£ 4,907,750</td>
</tr>
<tr>
<td>Borrowing Repayments</td>
<td>£ 364,800</td>
<td>£ 715,200</td>
<td>£ 1,051,200</td>
<td>£ 1,008,000</td>
<td>£ 964,800</td>
<td>£ 628,800</td>
<td>£ 307,200</td>
<td>£ 307,200</td>
</tr>
<tr>
<td><strong>Cumulative Savings Net of Borrowing</strong></td>
<td>£ 710,000</td>
<td>£ 1,664,450</td>
<td>£ 2,992,550</td>
<td>£ 3,856,550</td>
<td>£ 3,899,750</td>
<td>£ 3,942,950</td>
<td>£ 4,278,950</td>
<td>£ 4,600,550</td>
</tr>
<tr>
<td>Total Savings over time</td>
<td>£ 710,000</td>
<td>£ 2,374,450</td>
<td>£ 5,367,000</td>
<td>£ 9,223,550</td>
<td>£ 13,123,300</td>
<td>£ 17,066,250</td>
<td>£ 21,345,200</td>
<td>£ 25,945,750</td>
</tr>
</tbody>
</table>
Commercial and Sourcing Rationale Customer First in a Digital Age

1. Purpose

This document describes the rationale and options considered for the commercial sourcing and procurement approach proposed for the Customer First in a Digital Age programme. It recommends using a multi-sourcing approach, in line with current industry standard practices and in support of the governance approach proposed. The advantages and disadvantages of the options are considered at the end of the paper.

2. Background

There has been a significant shift in the commercial landscape in the ICT industry over the past 5 years. For a long period the industry was dominated by Single Source Outsourced supply contracts, delivering all of the ICT needs for a commercial or government customer. However this trend has been reversed with more complex supply chains now the norm and greater use of multi-sourced supply with smaller, more targeted contracts aimed at either commodity services or professional services. This shift has been most pronounced in companies and industries where their needs are to focus on Customer Experience, Innovation and Creativity and has come alongside the now complete dominance of Agile as a software development methodology.

3. Commodity ICT Services

There is an increasing distinction between the large scale delivery of commoditised and utility ICT services – Data Centre, Cloud, Customer Service and Telephony. These services deliver automated services with as little human intervention as possible. Outsourcers are able to deliver efficient services leveraging their prior capital investments and economies of scale. To that end they remain popular and effective, with the largest providers now delivering cloud only models (Amazon, Microsoft, Google).

Brighton & Hove City Council in keeping with these trends has adopted over the last 3 years a multi-sourcing approach. This has included the outsourcing of a number of commodity services including Wide Area Networking (in partnership with East Sussex County Council), Printing, Mobiles and most recently Data Centre/Cloud Hosting.

These changing models across industry are breaking up the early 2000’s dominance of the traditional full service/single source outsourcer (e.g. IBM, Capita, SerCo). These company’s models are based around the delivery of end to end traditional ICT services. However they assume that application, software and information usage will be fairly static as they use fixed models and high costs for any changes within the contract.

4. Government ICT Commercial Strategy

Government strategy over the last five years has been to aggressively break up these existing locked-in contracts, which have both built in substantial costs and hampered innovation and service redesign across government. This approach has been led by the Cabinet Office and the Government Digital Service.
Alongside this, Government has pushed a clear sourcing strategy through the development of the G-Cloud and Digital Services digital marketplaces. These have a focus on working with both large commodity suppliers and a wide variety of Small and Medium Enterprises (SME’s) and keeping to shorter contract lengths. G-Cloud for example has a maximum 2 year contract length.

5. Digital Development Services

The biggest shift in the software and digital development industry has been the emergence of agile as a software development methodology. Traditional “waterfall” development included a detailed up front specification which is then handed to a team to develop. This led to poorly designed software and built in cost and time as mistakes in specification would not be discovered until a late testing phase after the whole product has been developed. Agile stresses prototyping, small iterative developments, regular testing with real users etc. and has come to now be the vastly dominant method for developing digital products.

Large outsourcing contracts, in common with “Waterfall” development, rely on detailed specification up front to ensure that the risk and cost shares between the parties can be clearly established in order to price the contract effectively. Where there is a significant level of unknown or risk within the contract, the outsourcer will naturally price up those areas to reduce their financial risk. Digital development using agile processes always starts from a position of not knowing all the answers; large outsourcers have so far struggled with how to price and handle risk in this model.

The dominance of agile development processes also stresses an acceptance of working in co-located, cross-functional teams including business users, communications staff, designers, analysts and developers. To achieve this, a large outsourcer will also have to develop a substantial on-site team available regularly, and so will have to pass on all overhead costs to the client as they cannot easily be shared or spread across multiple clients to achieve efficiencies.

There has been a significant shift towards insourcing digital development with significant parts of government (e.g. GDS, DVLA) and large commercials (Amex, Amazon, Legal & General) taking this route. Alongside this they have started to work with a larger proportion of SMEs. In the meantime a new supply chain of digital practices are being set up by consultancy firms to challenge traditional outsourcers (KPMG Digital, PWC Digital, Deloitte Digital, Methods Digital) with a combination of consultancy and development skills.

6. Comparison of models of delivery

The three available models of delivery for the programme are broadly as follows:

- In-House team
- Single Outsourced contract
- Multi-Sourced contracts

Broadly the areas of expertise required for the programme are as follows:

- Programme and Project Management
- Business Analysis
- User Experience Design
In addition any outsourced contract arrangements will need a core commissioning and client function to control the delivery of the contract/s

7. **In-House Delivery**

Under this model the majority of work is undertaken by employed staff on permanent or fixed term contracts, backed up by agency staff where necessary and some use of third party contracts where the skills can not readily be sourced or developed.

**Advantages**

- Lower staffing day rate costs
- Control over selection of staff
- Development of sustainable capability for on-going change
- Apprenticeship opportunities

**Disadvantages**

- Ability to attract and retain suitable talent to BHCC at pay rates
- Ability to attract and retain suitable talent to BHCC on short term contracts
- Delivering consistent capacity and skill throughout the programme
- Skills and experience to manage new capabilities

To date the programme has been run with a combination of in-house staff, agency contracts and some contracting out to local digital agencies. Although effective at the small scale so far adopted, it has been difficult to attract and retain enough talented individuals at the pay rates available and with the poor “brand” image of the council. There has also been too much time spent learning the roles and developing practice, rather than focusing on delivery.

It has also become more difficult to attract agency staff on short day rate contracts as the commercial attractiveness of work in London and the South Coast for the skills required becomes greater. This starts to both drive up day rates, making the option less competitive, but also means there are fewer quality individuals available through this route.

8. **Single Outsourced Contract**

Under this model a single contract with an outsourced supplier is used to deliver the programme outputs and resourcing. This is either a bespoke contract arrangement following a significant specification and procurement phase; or accessing an existing outsourced arrangement framework where Brighton & Hove City Council has been named during the procurement phase.

Research of readily available models at this scale has identified West Sussex County Council and Southampton City Council framework contracts as meeting these criteria. However, in common with many outsourced ICT contracts these were not specified to focus on modern digital methods and
services. The choice would be between specifying and running an OJEU level procurement (estimate 12-18 months at this scale and complexity) or accessing a contract not designed for this purpose.

**Advantages**

- Efficiencies in resource usage
- Access to local government experience
- Risk sharing

**Disadvantages**

- Lengthy procurement time (12-18 months) for fit for purpose contract
- Professional services day rates
- Affordability of on-premise/local resourcing
- Lack of consistency of resources
- Lack of track record in Digital, UX, Agile, Mobile
- No benefits to local economy
- Not affordable to have contract break clauses annually

9. **Multi-Sourced Contracts – RECOMMENDED MODEL**

Under this model a small core, commissioning team establish a framework of suppliers, making use of a combination of local digital SMEs, Partners (including Sussex and Brighton Universities and other local authorities) and ICT commodity suppliers (existing include EduServ/Amazon, O2, Itelligence).

Work is parcelled into smaller lower risk contracts, making use of the significant talent available within the City and the supply of lower day rates compared to large outsourced professional services.

**Advantages**

- Immediate availability of skills and resourcing (short procurement time)
- Broad range of required high end skills available within local digital SMEs
- Sustainable relationships with partners, including research capabilities from Universities
- Ability to build opportunities for skills developments for local people including apprenticeships and interns
- Investment in local economy and employment
- Short contract periods in line with governance approach requirement to review/cease annually

**Disadvantages**

- Overhead in managing multiple contracts
- Greater risks of overstretch by small companies
- Requirement to ensure consistency of standards across suppliers
- Lack of local government knowledge in some suppliers
Applying an Agile approach to Customer First in a Digital Age

The programme will be managed using ‘Managing Successful Programmes’ (MSP) as this is the Council’s chosen programme management method. Within MSP, the programme will adopt an Agile approach. The design of MSP fully supports an Agile delivery approach.

What is Agile?
Agile is a mature development method widely used in software and digital development. It has become the industry-standard approach for delivering software and digital solutions. Agile works best with cross-functional, co-located teams of business users, communications staff, designers, analysts and developers. But Agile is not just a way of developing software: as Mike Bracken from the Government Digital Service (GDS) says

“Agile isn’t just a set of rules, it’s a mindset. An approach to solving problems and meeting user needs.”

Agile, together with the GDS service design manual, will allow the teams making and operating services to start small, learn fast, and provide value to users as soon as possible.

Programme structure
The programme will be structured in regular, repeatable work cycles, known as sprints or iterations. We will use large, strategic quarterly sprints for planning and prioritising work. Each sprint will contain a number of smaller projects, typically using a 2-week sprint cycle. The projects within the strategic quarterly sprints may use Prince2, Scrum or Kanban, as appropriate.

By releasing usable products to customers regularly and often, we get real customer feedback rapidly. This tells us how to grow capabilities in the next sprint, and provides value to customers as soon as possible.

Running through the programme, and informing all our work, will be the Vision, Critical Path, Design Principles and our Research and learning approach.

Reflection is a key Agile principle. At the end of every sprint, we reflect on how to become more effective, then tune and adjust the next sprint accordingly.
The Vision and Critical Path

Our vision: “Services in the palm of your hand and at the heart of your community.”
The vision is defined in more detail in the Programme summary and business case.

The Critical Path is the list of all the things that we know we need to produce, and the dependencies between them. We know needs will change and so we will find out and prioritise needs by:

- talking to customers
- consulting with communities and neighbourhoods
- responding to the needs of the Board and Members
- Letting data drive decision making, not hunches or guesswork
- Benchmarking and proving our approach, by setting up small experiments, so that we can verify our ideas about what is needed, and how people will use it. This will be driven by solid data, e.g. the City Tracker, data collected from services, listening to customers and responding to feedback.

Service Design Manual (GDS)

We will develop solutions using the Service Design Manual, developed by the Government Digital Service (GDS), which defines the following phases of development:

| Discovery | A short phase, in which you start researching the needs of your service’s users, find out what you should be measuring, and explore technological or policy-related constraints.  
For example: we have a high volume of phone contact for “Council Tax change of address” |
|---|---|
| Alpha | A short phase in which you prototype solutions for your users needs. You’ll be testing with a small group of users or stakeholders, and getting early feedback about the design of the service.  
For example: Understand what is needed to channel shift online – what info does the service need, what do customers think of the unpublished test version, is it easy to use |
| Beta | You’re developing against the demands of a live environment, understanding how to build and scale while meeting user needs. You’ll also be releasing a version to test in public.  
For example: First version goes live on the Council website |
| Live | The work doesn’t stop once your service is live. You’ll be iteratively improving your service, reacting to new needs and demands, and meeting targets set during its development.  
For example: More automation added, more features as they are developed e.g. incorporate Direct Debit |
| Retirement | Even the best services may eventually reach retirement. That should be treated with the same care as went into the building and maintaining of that service. |

Design Principles

The solutions developed by the programme will be created in line with our Design Principles. These are similar to the GDS design principles and are as follows:

- User needs first
- Reduce, reduce, reduce again
- Do the hard work to make it simple
- Our message comes last
- Be consistent
- Surprise people by anticipating needs
- Don’t repeat effort
- Connect people to experts
- Minimise contact

We will review the design principles from time to time as the programme evolves.
Recommendation:

(1) That the Policy and Resources Committee be recommended to approve the sale of the freehold of Lions Court to the Brighton Lions for a consideration equal to its market value, in the sum of £670,000 subject to the Lions allocation scheme stating that new tenants should be on the Council’s housing register.

(2) That the Policy and Resources Committee be recommended to approve that the capital receipt be used to support the HRA capital programme.

BRIGHTON & HOVE CITY COUNCIL

HOUSING & NEW HOMES COMMITTEE
23 SEPTEMBER 2015

MAIN MEETING ROOM – THE FRIENDS MEETING HOUSE

Present: Councillor Meadows (Chair) Councillors Hill (Deputy Chair), Mears (Opposition Spokesperson), Gibson (Group Spokesperson), Atkinson, Barnett, Lewry, MacCafferty, Miller and Moonan.

PART ONE

26.1 The Committee considered the report of the Acting Executive Director Environment, Development and Housing which informed Members that the Brighton Lions, through its
Housing Society, were leased council (Housing) land at Manor Way, Brighton in 1968 in order to build affordable residential accommodation to rent. They built 30 older peoples flats which they managed. The Brighton Lions now wished to buy the freehold to enable them to grow and invest in new projects. The Brighton Lion’s Manor Way scheme supported the council’s housing strategy and sale of the freehold would provide a capital receipt that could be used to subsidise the housing capital programme. The report was presented by the Housing Stock Review Manager.

26.2 Councillor Miller asked why only one valuation had been obtained for the freehold. He also asked why an accurate valuation had not taken place shortly before the Committee decision was made. The Housing Stock Review Manager replied that the valuation had been negotiated by external chartered surveyors. Paragraph 7.1.3 of the report set out how the current freehold price was agreed between the relevant chartered surveyors in April 2015. The delay had been caused by the timing of the committee cycle.

26.3 Councillor Mears commented that she had previously been a ward councillor in the Manor Way area. It was a well kept area and residents were happy in Lions Court.

26.4 Councillor Moonan asked how the Brighton Lions allocation policy matched up to the council’s allocation policy. The Housing Stock Review Manager referred to paragraph 3.2 of the report which related to the allocations process/nomination rights. This stated that the Brighton Lions operated their own waiting list. Applicants must be residents of Brighton and Hove, be over 55 years of age and have been resident for 5 years. Applicants are allowed up to £16,000 ‘liquid assets’ but must not own a property. The Brighton Lions did not have a public scheme. They had a points scheme.

26.5 Councillor Moonan asked if the tenants who were allocated homes were people who would otherwise approach the council for help. The Housing Stock Review Manager confirmed that this was the case. The Brighton Lions were meeting housing needs in the city.

26.6 Councillor Gibson expressed disappointment that the council were not exercising 100% nomination rights. It was not known whether housing needs were being met by the nomination scheme of the Brighton Lions. Councillor Gibson was concerned that if the freehold was sold, the council was potentially losing an asset. He asked if any of the people housed by Brighton Lions were on the council housing waiting list.

26.7 The Housing Stock Review Manager replied that people were always advised to join the council housing list. Brighton Lions were a social housing provider who were committed to social housing.

26.8 Councillor Gibson asked if it could be confirmed that the rents charged by Brighton Lions were social rents. The Housing Stock Review Manager confirmed that rents charged would be social rents.

26.9 At this point in the proceedings the Chair drew Members’ attention to two separate amendments to the recommendations that had been received from the Conservative and Green Groups.
26.10 Councillor Mears proposed the following amendment which was seconded by Councillor Miller:

**Delete the word “housing” on line 3 in recommendation 2.4 and replace with the word “HRA” so it would read:**

“That Housing & New Homes Committee recommends to the Policy & Resources Committee that it approves that the capital receipt be used to support the **HRA** capital programme.”

26.11 Councillor Gibson proposed the following amendment which was seconded by Councillor MacCafferty:

**Amend the recommendations by adding 1 new clause so that it would read:**

Paragraphs 2.1 to 2.4 unchanged.
Add
“2.5 The Housing & New Homes Committee negotiate a fixed % of nomination rights and report back to Housing & New Homes Committee for final authorisation to proceed with the sale.”

26.12 The Chair pointed out that it was not in the power of the Housing & New Homes Committee to authorise the sale to the Brighton Lions. This was the responsibility of the Policy & Resources Committee.

26.13 The Interim Head of Housing suggested that the Committee might want to consider an alternative amendment to set a condition on the sale so that new tenants housed in the scheme were on the housing register prior to their being housed. Paragraph 2.1 could be amended to add “subject to the Lions allocation scheme stating that new tenants should be on the Council’s housing register”. Councillor Gibson found this acceptable. He wished to see a tighter register and a tighter criteria for people on the housing list.

26.14 The Committee voted on paragraph 2.1 as amended below:

“That Housing & New Homes Committee recommends to the Policy and Resources Committee the sale of the freehold of Lions Court to the Brighton Lions for a consideration equal to its market value, in the sum of £670,000, **subject to the Lions allocation scheme stating that new tenants should be on the council’s housing register.**”

26.15 The amendment was agreed by 8 votes for the amendment. There were two abstentions.

26.16 Members agreed recommendations 2.2 and 2.3, and then considered the Conservative amendment as follows:

“**Delete the word “housing” on line 3 in recommendation 2.4 and replace with the word “HRA” so it would then read:**

“That the Policy and Resources Committee be recommended to approve that the capital receipt be used to support the **HRA** capital programme. “ This amendment was agreed.
26.17 RESOLVED:-

(1) That the Policy and Resources Committee be recommended to approve the sale of the freehold of Lions Court to the Brighton Lions for a consideration equal to its market value, in the sum of £670,000 subject to the Lions allocations scheme stating that new tenants will be on the council’s housing register.

(2) It is agreed that if a decision is taken to sell the freehold, a restrictive covenant is placed on the land for social housing use only.

(3) That it is noted that the council will be offered nominations by the Brighton Lions if they are unable to let a vacant flat.

(4) That the Policy and Resources Committee be recommended to approve that the capital receipt be used to support the HRA capital programme.
1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 The Brighton Lions, through its Housing Society, were leased council (Housing Revenue Account) land at Manor Way, Brighton in 1968 in order to build affordable residential accommodation for rent. They built 30 older persons’ flats which they manage. The lease has approximately 52 years left to run. The Brighton Lions now wish to buy the freehold to enable them to grow and invest in new social projects.

1.2 The Brighton Lions have met with council officers to discuss the options of:

   a) buying the freehold (the Brighton Lions’ preference)
   b) extending the lease (which they have a statutory right to do)
   c) letting the current lease continue until it expires (not their wish)

1.3 The Brighton Lions’ Manor Way scheme supports the council’s housing strategy. Sale of the freehold would provide a capital receipt that could subsidise the Housing Revenue Account capital programme.

2. RECOMMENDATIONS:

2.1 That the Policy and Resources Committee approves the Housing & New Homes Committee’s recommendation to sell the freehold of Lions Court to the Brighton Lions for a consideration equal to its market value, in the sum of £670,000, subject to the Lions allocations scheme stating that new tenants will be on the council’s housing register.

2.2 That the Policy and Resources Committee approves that the capital receipt be used to support the Housing Revenue Account (HRA) capital programme.
2.3 That the Policy and Resources Committee notes that a restrictive covenant will be placed on the land for social housing use only.

3. CONTEXT/BACKGROUND INFORMATION

3.1 The organisation

- Brighton Lions (BL) housing society is a registered provider, and an industrial and provident society. They were last inspected by the housing regulator 8-10 years ago
- BL has 15 board members, including professionals from the legal, finance and property sectors
- BL has never attracted government grant funding, they have been self-financing. The council leased the land to BL who were able to fund the build thanks to a donor
- In addition to Lions Court (30 homes) BL owns (as freeholder) Lions Dene (37); Lions Gardens (6); and Lions Gate (42). Total stock: 115 homes
- BL tenants are on assured tenancy agreements
- Rents at Lions Court range from £103.45 - £120.74 per week, which includes a service charge of £10.13 and water rates of £6.06
- A site map is at Appendix 1. Photographs are at Appendix 2.

3.2 Allocations process/nomination rights

- The BL operate their own waiting list. Applicants must be residents of Brighton and Hove, be over 55 years of age and have been resident for 5 years. Applicants are allowed up to £16,000 ‘liquid assets’ but must not own a property
- The majority of BL tenants are on Housing Benefit
- Vacancies are allocated on greatest need to people over 55 years old.
- They prioritise to those in greatest need using a needs-based points system
- Despite provision in the lease, historically the council and BL have not exercised the nominations clause
- As part of the negotiation BL have offered a side nominations agreement that they will accept nominations for tenants from the council’s waiting list if they cannot find a tenant for a flat themselves (‘second refusal’)
- Nominations rights have a value. If the freehold is to be sold, there cannot be any legally binding requirement for future nomination rights by the council, as there could be in a lease. Should the council wish to retain ’guaranteed’ nomination rights, the advice from the council’s appointed chartered surveyor is to extend the lease rather than sell the freehold. This would reduce the capital receipt to approximately £165,000.

3.3 Brighton Lions’ stated reasons for wishing to purchase the freehold of Lions Court

a. Acquisition of the freehold will increase the Brighton Lions’ borrowing power and improve their ability to commence a new social housing development for older people, which will benefit the City. For any new development the finance provider takes a first charge on the entire portfolio and the funder’s own surveyor values the portfolio to ascertain
how much money they will lend. As leases get shorter they are diminishing assets and will be downgraded accordingly for lending purposes.

b. Should any unexpected emergency work be needed at Lions Court ownership of the freehold will improve their chances of raising finance. The ability to secure lending against this asset will decrease as the lease length diminishes.

c. To bring their portfolio all into line. All their other properties are freehold.

d. To safeguard the future of Lions Court as social housing for older people in need.

4 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 While Option 1 is recommended, the Housing & New Homes Committee may decide to adopt options 2 or 3 instead.

| Option 1: Brighton Lions (BL) buy the freehold | • In September 2014 Cluttons valued the freehold at £700,000 and a sale price agreed after negotiation at £670,000 (once assumptions had been clarified) in April 2015  
| | • Brighton Lions (BL) can borrow against its asset and replace buildings at its own expense  
| | • BL will accept a covenant to permanently provide social housing on this site  
| | • BL has agreed to a side agreement to retain nomination rights for the Council in the event they are unable to fill vacant units. |

| Option 2: Extend the lease – which BL has a statutory right to do | • In September 2014 Cluttons valued the leasehold extension (up to 125 years) at approximately £165,000  
| | • BHCC receives a smaller capital receipt than Option 1  
| | • BL can borrow against a higher value and replace buildings at its own expense  
| | • BL is back in the same position in the future with a diminishing asset  
| | • Opportunity for BHCC to renegotiate nominations % (but with BL applying its own re-housing criteria). |

| Option 3: Let the lease run to end of 99 year term | • Lease then reverts to BHCC  
| | • If BHCC doesn't agree to a lease extension, BHCC may get the property back in 52 years with the need for significant improvement  
| | • If BHCC takes property back (in 52 |
5 COMMUNITY ENGAGEMENT & CONSULTATION

5.1 The East Area panel was consulted on 26 January 2015 and was satisfied but sought reassurance that Brighton Lions were good guardians of their properties. The Housing Stock Review Manager has visited all four schemes owned and managed by Brighton Lions and was satisfied by the quality of maintenance in evidence.

5.2 The ward members have been informed of the proposal. One question was asked about nomination rights and one about the market value.

6. CONCLUSION

6.1 The council has been offered a capital sum of £670,000 for the freehold. This would enable the council to deliver its housing strategy by reinvesting this receipt in the Housing Revenue Account capital programme, whilst protecting the future use of the site for social housing (through a restrictive covenant).

6.2 If the council wishes to retain nomination rights (which on this site have not been exercised) then a reduced receipt of approximately £165,000 would be received.

6.3 There is a ‘do nothing’ option, which is waiting for the lease to revert to the council in 52 years. The council currently receives £5 (five pounds) ground rent per annum.

7. FINANCIAL & OTHER IMPLICATIONS:

7.1 Financial Implications:

7.1.2 Changes in Capital Financing regulations took effect from April 2013, which allows the council to retain the full amount of the capital receipt from the sale of this freehold to fund capital expenditure. The receipt can therefore be used to fund capital expenditure such as affordable housing or regeneration projects or repayment of HRA debt.

7.1.3 In August 2014 the council’s agent, Cluttons, originally valued the freehold of the land at £700,000. After negotiation and clarification on assumptions made within the valuation process, Cluttons recommends the Council’s acceptance of the Brighton Lions offer of £670,000. The current freehold sale price (of these tenanted properties) was negotiated and agreed in good faith between the relevant chartered surveyors in April 2015. The council’s valuer has advised that, as the period of the current lease diminishes, the value of the freehold would increase, however not materially over the period since the price was agreed in April and that it is not considered best practice to seek in to increase the offer of £670,000 that has been agreed in good faith.
7.1.4 Subject to Committee’s approval for the sale of this freehold, in accordance with the council’s accounting policies, the capital receipt will be retained in the council’s capital receipts reserve which will be available for use to support the HRA Capital Programme when required.

Finance Officer Consulted: Susie Allen Date: 10.09.2015

7.2 Legal Implications:

7.2.1 Under section 32 of the Housing Act 1985 land held by the council for housing purposes can only be disposed of with the consent of the Secretary of State. Consent may be given either generally or in relation to particular land. The General Housing Consents 2013 allows a local housing authority to dispose of land for a consideration equal to its market value.

7.2.2 Under the council’s constitution, the disposal of land must be referred to the Policy & Resources Committee for determination. The Head of Law would complete the surrender of the lease and freehold disposal of the land, subject to such nomination agreement that is agreed between the parties.

Lawyers Consulted: Liz Woodley; Joanne Doungaglo Date: 07/01/15

7.3 Equalities Implications:

This Brighton Lions scheme addresses the needs of older people in the city.

7.4 Sustainability Implications:

There are none to report.
Appendix

Photographs of Lions Court
FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 This report makes proposals for the future management arrangements of school and college playing fields at Old Shoreham Road. These proposals arise from discussions between the local authority, the Friends of the Field (an unconstituted body of residents interested in using the school field) the Council, Cardinal Newman Catholic School, Brighton, Hove & Sussex Sixth Form College (BHASVIC) and Stanford Junior and Infant Schools (together “the schools”)

1.2 The aim of these discussions has been to protect the field’s primary use as a school field for use by the pupils of nearby schools and college whilst meeting the aspirations of the community to make use of the school and college playing field outside of the school day.

2. RECOMMENDATIONS:

2.1 That the Committee note that the land is a school playing field maintained in part by Cardinal Newman Catholic School in accordance with the Local Management of Schools and in part by BHASVIC.

2.2 That the Committee agree to allow responsible informal access to the field by the community until half an hour before the beginning of the school day and from an hour after its end on weekdays during term time and at any time during weekends and school holidays, provided that the fields are not required by the schools.

2.3 That the Committee agree that dogs are to be excluded from the field at all times except in that part of the field that the council (through the Executive Director of Children’s Services), the schools and Friends of the Field, agree can be used by dog walkers.

2.4 That the committee agree that if any use of the field prevents the school or college from delivering its curriculum or other activities or causes safeguarding issues in relation to pupils, students or staff that the particular informal user can be excluded from the field.
2.5 That the Executive Director of Children’s Services apply to the Environment, Transport & Sustainability Committee to implement an appropriate form of Dog Control Order.

2.6 That the Committee agree to the proposal to fence off an area to the western end of the field to allow dog walking and to provide access to Dyke Road Park as set out in Appendix 3.

2.7 That the committee notes that there are no plans either of the Council or of the college to develop or change the usage of the field. If at some future time such plans are considered there will first be consultation with Friends of the Field and / or neighbours of the field prior to it being considered by an appropriate Council committee. Any such proposals would also need full planning consent.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 The school field at Old Shoreham Road was acquired in 1914 under the Public Health Act 1875, for use as a school playing field and has been used as such since its acquisition. Originally the land was used by Brighton, Hove and Sussex Grammar School but has subsequently been used by Cardinal Newman Catholic School and BHASVIC. It has therefore been used as a school playing field for many decades. It adjoins Dyke Road Park but the field is not and never has been a public park.

3.2 Ownership of the field is now split between the Council and Brighton, Hove and Sussex VI Form College (BHASVIC). A plan showing the limit of each ownership is attached as Appendix 2. The college has participated fully in the development of these proposed arrangements.

3.3 Since January 2000 usage of the field by the schools has been governed by a joint use agreement between the Council, Cardinal Newman Catholic School (CNCS) and BHASVIC. The agreement also includes provision for use by Stanford Junior School. The management responsibility and costs of maintenance lie with CNCS and BHASVIC for the respective Council owned and BHASVIC owned parts of the field.

3.4 Since the mid-1990s sections of the railings around the school field have been repeatedly removed without the Council’s, BHASVIC’s, or the schools’ consent in order to gain access to the school field. This has involved the schools in considerable expense replacing these railings where necessary.

3.5 On 17 March 2013 three residents on behalf of the Friends of the Field made an application to the Council to register the playing field as a Village Green. Village Green status would afford unrestricted access to the field by the public.

3.6 The application was opposed by the council (as landowner and as Children’s Services) and the schools (as users) on the basis that public trespassing on the field had previously been detrimental to the health, wellbeing and education of young people due to antisocial behaviour including disruption of lessons for example through dogs being allowed to run loose on the field during school time. The Council, acting as Commons Registration Authority, proposed that a non-statutory public inquiry should be held, presided over by a barrister acting...
as inspector, to enable the evidence of all interested parties to be heard and tested. Following the conclusion of the inquiry the inspector would write a report, with a recommendation, to assist the Council in coming to a decision on the application.

3.7 Following initial discussions the proposed village green inquiry was deferred in order to explore a negotiated settlement that would provide a framework where the needs of the school pupils and college students were given priority when the school field is required for educational purposes and residents could use it when the school field is not required by the schools. The discussions around this settlement have been led by the Executive Director of Children’s Services.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 Although there is no statutory requirement to hold a public inquiry in order to determine a village green application it is expedient to do so when there is conflicting evidence, as in this case.

4.2 If the recommendations are not followed, or if negotiation fails later in the process, then an inquiry could still go ahead.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 Friends of the Field is a loosely constructed community group which represents some of the nearby residents of Brighton & Hove who use the field for recreational activities. There is no membership roster. However the Facebook group in May 2015 had attracted 778 “Likes” and the Twitter feed had 172 “followers”.

5.2 The council and schools have met with representatives of Friends of the Field on numerous occasions both before and since the application for Village Green status, the most recent meeting was on 15 July 2015 in which the outlines of the proposal contained in this report were discussed.

5.3 BHASVIC, Cardinal Newman Catholic School and Stanford Junior School use the field for physical education and other curricular activities and for intra and inter school sporting events. The Council has met with them on numerous occasions to discuss this application, and the content of this report is supported by the schools.

5.4 The schools and Council have serious concerns about the impact of vandalism, trespass, littering, dog fouling (attached at Appendix 4 is a Briefing Note on the risk of infection from dog faeces) and disruption of lessons by dogs on the delivery of the curriculum to the pupils and students at the schools and about the safeguarding risks of public access to the school playing field. It is thought that this will be sufficiently dealt with by adherence by the community to the public access times for the school field and a suitable dog control order.
5.5 If this is not found to be the case Section 547 of the Education Act 1996 allows for trespassers to be removed from school property if there is reasonable cause to believe that they are causing an offence under this section of the Act. For the BHASVIC part of the field Section 85A of the Further and Higher Education Act 1992 provides identical legislative provisions.

5.6 These Acts allow for trespassers to be removed by the police, anyone authorised by the school or college governors and with the agreement of the governors anyone authorised by the Local Authority (or BHASVIC in respect of their part of the field). The maximum penalty on conviction is a fine of £500.

5.7 Following the meeting on 15 July 2015, during the summer school holiday period ‘no dogs’ signs were erected around the field referring to Section 547 of the Education Act 1996.

5.8 This elicited a further response from the community and as a result of this a scheme has been prepared (shown in Appendix 3) to fence off an area at the western end of the playing field which can then be used by dog walkers and people wishing to access Dyke Road Park. This area will still be school land but will be used by the school for different elements of the curriculum such as ecological observations. The Friends of the Field have agreed to take responsibility for placing bins on this fenced-off area for dog waste and to regularly empty and maintain these.

5.9 By allowing dog access to this small area it is anticipated that the remainder of the field will be respected as a dog free area.

5.10 ‘No dog’ signs referring to section 85A of the Further and Higher Education Act 1992 will now be erected at the entrances to the BHASVIC owned sections of the field.

5.11 Whilst the Friends of the Field’s application for Village Green status only relates to the portion of the field owned by the Council, BHASVIC have indicated that they will work in concert with the Council in respect of the recommendations in this report.

5.12 The council and the schools are willing to set up an informal users’ group to monitor the use of the field and to renegotiate the existing Joint User Agreement between the schools, the college and the Council to include the proposed community use.

6. CONCLUSION

6.1 The options for the Council are either to proceed with a costly inquiry which whatever the outcome would be unlikely to result in harmonious use of the field or to negotiate responsible use of the field by the community outside of the school day.

6.2 The Council and the schools consider a better outcome to be securing the responsible use of the school field by the community with the expectation that any new access-points and locking mechanisms agreed with the Friends of the Field are less likely to suffer vandalism.
7. **FINANCIAL & OTHER IMPLICATIONS:**

**Financial Implications:**

7.1 At present the fences, gates and locks to the school field are frequently vandalised and this has a cost impact on Cardinal Newman Catholic School and BHASVIC who look after the fencing for the property. An agreement with the community should reduce the frequency of this vandalism.

7.2 As landowner the council would be responsible for ensuring appropriate notices are installed to inform the community about any Dog Control Orders and restrictions, and these would come from existing Children’s Services property maintenance budget.

7.3 The cost of the additional fencing, paving and gates and the repairs to the existing fencing would be met from the existing Children’s Services Capital programme. It is estimated that these costs will be £35,000.

Finance Officer Consulted: Andy Moore Date: 01/09/15

**Legal Implications:**

7.3 The Friends of the Field have not confirmed that they will withdraw their application upon the Committee agreeing to the recommendations. This means that the financial risk to the Council and the schools remains.

7.4 There is no specific provision in the legislation governing the designation of village greens, namely the Commons Act 2006 and The Commons (Registration of Town or Village Greens) (Interim Arrangements) (England) Regulations 2007, which provides for applications to be withdrawn. However, there is case law support for the ability of an applicant to withdraw an application if the Commons Registration Authority considers it reasonable to allow withdrawal.

7.5 Section 547 of the Education Act 1996 provides that anyone on school premises without permission, and who causes or permits a nuisance or disturbance, can be removed by an authorised person and may be prosecuted. The Council itself has the power to bring a prosecution under this section. Section 85A of the Further and Higher Education Act 1992 replicates these provisions as far as the BHASVIC owned sections of the field are concerned.

Lawyers Consulted: Oliver Asha/Serena Kynaston Date: 30 September 2015

**Equalities Implications:**

7.7 There are no formal equalities implications in terms of the defined characteristics contained within the Equality Act. However, in terms of managing the different interests and safeguarding concerns of children and young people on the one hand and the interests of the community on the other this proposal aims to strike a fair balance which ensures that children, young people and the wider community can benefit from the availability of this green space.
Sustainability Implications:

7.8 None
SUPPORTING DOCUMENTATION

Appendices:

1. Other significant implications
2. Plan showing ownership of the field
3. Plan showing proposal of dog friendly area
4. Briefing note re the risk of infection from dog faeces

Documents in Members' Rooms

1. None

Background Documents

1. None
Appendix 1: Other significant implications

Crime & Disorder Implications:

1. There has been repeated vandalism of the perimeter fencing to the field by members of the public wishing to gain access to this area of school playing field.

2. The field has previously suffered from antisocial behaviour both during school hours and after school hours. Reducing public access during school hours (it is hoped) would reduce the amount of antisocial behaviour.

3. It is a criminal offence under S547 if the Education Act 1996 to cause a nuisance or disturbance on school premises.

Public Health Implications:

4. If the school field were to become a Village Green there could be serious health and safety and safeguarding issues for the schools. They would need to seriously consider whether it was still appropriate and practicable for the pupils and students to use the space for physical education classes. A reduction in the amount of outside space for physical education would have an adverse effect on the health of the pupils and students at the schools.
Cardinal Newman - Tresspass sign locations

Proposed line of 1.5m high weldmesh fence
farm track 1.0m wide
repair/replace existing boundary fence
additional sign location

1. Single lockable gate - school to hold keeps
2. Double lockable gate - school to hold keeps
3. Single gate
Risk of infection from dog faeces
Briefing for Children's Services

Author: Dr Emma Robinson, Consultant in Public Health
Date: 29th September 2015

The spread of infections from dogs to humans can cause a variety of illnesses, ranging from minor skin infections to serious disease. Some of these are spread through ticks carried by dogs and others following dog bites. This briefing focuses on infections spread through dog faeces.

Diseases associated with dog faeces that can cause illness in humans are spread via worms and germs present in the faeces and on ground contaminated by faeces. Children are more susceptible to many of these infections due their age and vulnerability, but also because of their exposure through playing at ground level in parks, play grounds and gardens.

*Toxocara* is a larval infection that spreads from dogs to children. Studies in the United States of America have shown that 4-8% of children without symptoms are infected with *Toxocara*. In certain populations, this can be as high as 30%. Western European studies have shown similar prevalence studies – Netherlands 19%, Germany 2.5% and Spain between 0 and 37%. In the UK, the number of reported cases is under 10 per year. However the infection is not notifiable and relies on voluntary reporting. In addition, *Toxocara* infection is often not diagnosed due to generalised symptoms or is asymptomatic.

For those children affected, they usually acquire the infection through direct contact with a dog, or from ground contaminated with dog faeces. *Toxocara* often results in the covert form of infection, which may go undetected due to mild non-specific symptoms (e.g. abdominal pains, fever, rash, and cough) or no symptoms. The dose of infective worm ingested along with the human response, determines the level of infestation and disease severity. Overall, systemic disease (known as visceral larva migrans) is diagnosed primarily in children, age 1-7 years, due to their play behaviour at ground level. Severe disease occurs rarely, affecting children aged 1-3 ½ years. If the larvae enter the child’s eye the infection can result in blindness and occurs more often in older children, adolescents and young adults. A review of several studies (meta-analysis) has shown that *Toxocara* infection is significantly higher in people with asthma suggesting a causal link. A different meta-analysis undertaken in 2012, found an association between *Toxocara* infection and epilepsy.

In Western Europe the prevalence of *Toxocara* in dogs is between 3.5% and 34%.

---

1 Pediatric Toxocarosis. 2015. Medscape.
2 Zoonoses Report UK 2013. February 2015. DEFRA and PHE.
(highest in puppies). In 2013, a study in Bristol showed that dogs contribute the greatest output of *Toxocara* eggs in the environment, especially puppies. The study found that the contribution of dogs to the total output of eggs could be modified by the degree of access dogs had to public areas and when active faeces removal was being undertaken.  

Dog faeces can also be responsible for infectious diarrhoeal illness. In the UK, other parasites and germs found in dog faeces that can spread to humans include *Giardia, Cryptosporidium* and *Campylobacter*, all of which can be severe in very young children. In other parts of the world, especially in developing countries, there are many other infections transmitted through dog faeces to humans.

The main way of controlling infection is through prevention, including hygiene measures undertaken by pet owners and by eliminating contamination of areas where children play e.g. gardens, playgrounds, dedicated areas within parks. In 2010, Keep Britain Tidy ran a campaign called ‘There’s no such things as the dog poo fairy’. This campaign resulted in 90% reductions in dog fouling. Similar campaigns have been run elsewhere in the UK, with equally good results.

Dog owners can protect themselves, their families and the community:

- Be responsible for clearing up and disposing of dogs’ faeces appropriately;
- Do not allow dogs into areas where children play.
- Ensure routine veterinary care for pets to check for infections, regular treatment for worms and also relevant immunisations;
- Always wash hands and the hands of children with running water and soap after contact with dogs, dog faeces and dog food;
- Bites and scratches are also a source of infection and should be cleaned thoroughly. If the bite has punctured the skin, then medical advice should be sought regarding the need for antibiotics and tetanus injection.

---

5 Quantifying sources of environmental contamination with *Toxocara* spp. eggs. Morgan E.R. Veterinary parasitology 2013;193(4):390-.
FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT:

1.1 As part of the Seafront Investment Programme, this report seeks agreement for the financing package in order to commence final completion of landscaping works to council owned land in an important section of seafront in the vicinity of the Brighton i360. This investment will significantly improve the appearance and facilities for this part of the seafront ensuring the seafront experience is improved for residents, visitors and businesses and will also provide an important quality of design as a backdrop to support the design and investment for the Brighton i360.

2. RECOMMENDATIONS:

2.1 To agree that the landscaping scheme is added into the 2015/16 Capital Investment Programme and is funded as set out in paragraphs 7.3 and 7.4.

2.2 To authorise the Executive Directors of Finance & Resources and Environment, Development & Housing, after consultation with the Chair of Policy and Resources Committee, to take all steps necessary for the successful construction of the works to ensure completion is achieved as soon after opening of Brighton i360 as possible.

2.3 To authorise the Head of Legal and Democratic Services to complete any necessary documentation and to take such legal steps as they see fit to procure completion of the works.

3. BACKGROUND

3.1 In March 2014, Policy and Resources Committee authorised officers to finalise terms and enter into a loan agreement with Brighton i360 Ltd.

3.2 Recommendation 2.5 of that report confirmed that the Council would “allocate resources generated by the i360 towards reinvestment in the wider development
of the seafront and its infrastructure”. This report asks for some of those resources to be reinvested into the landscaping works. The landscaping works also have the potential to generate a new income stream for the council from the hire of the new event spaces and will support the rental stream and business rates in the newly rebuilt arches.

3.3 The i360 project commenced in 2014, and the target for opening is now July 2016, in time for the commencement of the peak visitor season.

With the completion of i360 the two pieces of land on either side of the attraction (in council ownership) will be the last remaining areas of seafront not to have been improved as part of the wider Seafront Investment Programme. To support completion of the i360, it is therefore proposed that these two sections of seafront (previously the old paddling pool, to the east and the boating lake, to the west) will be redesigned and re-landscaped to offer two brand new areas of public realm that will be of the same high design quality as the i360 and the rest of the seafront, and will also complement the new attraction. These two newly created areas will also provide a much needed forecourt space for the important new seafront businesses to either side created within the newly restored arches and provide valuable and much sought after new event space on the western area.

3.4 The landscaping scheme

Description

3.5 The two areas of seafront on the lower promenade to either side of the Brighton i360 will become important focal points on the seafront once the i360 opens. They will be areas of year-round activity and provide important circulation space for the new attraction. It is important to the wider delivery of the project and the final completion of this part of the seafront that a high quality public realm is also created. This new landscaped area will be designed to:

- Provide open, accessible and durable surroundings with new public seating, heritage assets (from the West Pier Trust) and lighting which will create new, safer and more attractive surroundings in this important section of the seafront.

- Provide a new, creative lighting scheme which will provide a safer area for visitors to the seafront year round and create visual interest.

- Showcase and support the work of the West Pier Trust in protecting and promoting the heritage of the West Pier by providing an area dedicated to the heritage of the West Pier in accordance with the planning permission and the aims and objectives of the West Pier Trust.

- Interface successfully with the new businesses in the arches to the east and the west and provide them with a new public realm to attract more customers year round.

- Support new activities by providing event space which is useable year-round and for which there is a high demand (which will also support the new businesses as they seek to establish themselves).

The design approach to the new areas is described below.
Event Space (West)

3.6 The area to the west of i360 will become a flexible event space which is designed to work year-round, provide additional footfall to support the new businesses in the restored arches and create visual interest with or without events taking place. The area will be excavated and re-laid to provide a flat paved event space designed to support a range of events. Discussions are underway with the Brighton i360 team to establish whether a programme of events can be led by i360 or whether this will remain led by the council team.

Piazza (East)

3.7 The area to the east will become a heritage area, designed to reflect the history of the West Pier site, but reinvented to provide a setting for the West Pier columns and seating. It has also been designed to preserve a location for future re-installation of the West Pier Octagonal Kiosk, rescued by the West Pier Trust and stored until a suitable funding solution can be found. This area will also be suitable for some smaller events, but is intended to provide circulation space and seating areas for people visiting the seafront and coming to view or visit the i360 and the new businesses within the arches.

Wider economic and regeneration benefits

3.8 The site of the Brighton i360 is located in a part of the city which has long been recognised as in need of renewal. The final regeneration of the West Pier site, as reported to Policy and Resources in March 2014, will be hugely beneficial for the existing businesses in Preston Street and along the Seafront as well as the many small and large hotels which rely upon tourism for their income. In order to fully capitalise upon this the two areas of council land to either side of the Brighton i360 will need to be landscaped and completed in order to complement the i360 and provide new leisure and recreation space for residents and tourists alike.

The i360 will generate activity all year round and from morning to evening. The landscaping scheme needs to work during the winter months when the seafront is less popular as a destination, as well as during the busier summer months. By creating new high quality public realm, it will assist the wider area in working as a year round destination and also the newly created businesses in the arches to either side.

3.9 The i360 will become a new focal point in the city and it is imperative that the surrounding area is properly designed to manage the many visitors that will use the area and provide a high quality backdrop for the many new images of the seafront that will inevitably be produced.

The regeneration benefits of Brighton i360 will secure the many new economic benefits for the wider area, and the landscaping scheme is required to ensure these benefits are not diluted. In addition by providing dwell space; attractive public realm to complement the new arches to either side, and new income generating space, the bespoke landscaping scheme will also provide a well used, sustainable and flexible seafront for years to come.
Investing in Seafront renewal

3.10 Failure to invest at an appropriate level in our Seafront infrastructure results in lost business opportunities, potential closure for occupiers and members of the public and reduction in the level of rent and Business Rates attainable from existing premises. The advent of the Brighton i360 project has shown that with appropriate investment this can be prevented and a previously derelict area of seafront rejuvenated.

3.11 This landscaping scheme provides the final piece of the jigsaw for this important part of seafront and will provide a high quality setting for a new iconic seafront attraction which will be viewed, visited (and photographed) by many new visitors in years to come. Investment in this section of the seafront will also support the previous investment made into the Brighton i360 project.

Project Plan and Timetable

3.12 It has always been the intention to complete the wider hard landscaping scheme as soon as possible after the public opening of the i360. This will require a start on site ideally in February 2016 and allow for a 16-20 week contract period. This is considered a prudent timescale that will also allow for down-times during inclement weather. A finally agreed timetable however cannot be confirmed until appointment of the landscape contractor, who will need to work closely with the i360 lead contractor on a deliverable project plan. The project plan will be taken to the newly established Seafront Investment Programme Board for agreement and there will also be consultation with existing seafront businesses where possible to minimise any disruption to their business.

Monitoring and reporting

3.13 Project updates will be given to the Economic Development and Culture Committee as part of the update on the Seafront Investment Plan. A high level risk register is also in the process of being developed which will seek to control cost overruns and any other foreseen risks of the project.

Procurement

3.14 RLF cost consultants and Fiona Atkinson Design Limited were previously procured as part of an open competitive process to provide lead concept design and costings for the project. RLF have updated their costings to reflect current pricing and these are reflected in the finance section of this report. Fiona Atkinson Design will lead the design process up until appointment of a landscape contractor, when they will take on the client role (working alongside council officers) to manage the project, and a professional landscaping firm will manage the actual construction process post appointment (on standard council terms and conditions).

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 At present no alternative preferred funding options have been identified, other than those identified in para 7.3.
4.2 If the council determine not to proceed, it is likely that the following impacts would occur:

- Negative impact upon Brighton i360 business case caused by incomplete surroundings
- Possible inability to let newly restored arches and therefore income targets reduced and the foregoing of potential Business Rates
- Possible higher project financing costs when final landscaping does go ahead including increased construction costs due to construction inflation
- Ability to generate new income from event space is lost
- Health and Safety in relation to a semi-derelict part of seafront remains an issue to be managed and the area would most likely need surfacing and/or fencing off until re-surfacing to protect members of the public.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 A process of community engagement with local businesses will take place once the Council has approved the funding package. This will include plans and visuals to describe how the landscaping will work and respond to any feedback on the proposals in relation to the detailing of the scheme. It is currently anticipated that the timing of further engagement is likely to be towards the end of the year or early in 2016.

6. CONCLUSION

The final completion of the seafront landscaping works which were originally awaiting completion of the West Pier are now, with the imminent completion of the Brighton i360 project, able to be completed. This area has long been awaiting investment that was undertaken elsewhere along the stretch of seafront to the west of the Pier. A new, interesting and high quality public realm here will support the businesses establishing themselves on either side of the new visitor attraction, provide an attractive and comfortable year round environment for all visitors and residents and finally complete the regeneration of this previously overlooked section of seafront.

7. FINANCIAL & OTHER IMPLICATIONS:

    Financial Implications

7.1 The initial costings from cost consultants RLF *(detailed costing awaited)* are shown in the table below.

<table>
<thead>
<tr>
<th>Description</th>
<th>£ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated cost of landscaping works @ 3rd quarter 2015 prices</td>
<td>1.785</td>
</tr>
<tr>
<td>Inflation provision @ 5%</td>
<td>0.090</td>
</tr>
<tr>
<td>General contingency</td>
<td>0.100</td>
</tr>
<tr>
<td>Estimated total cost</td>
<td>1.975</td>
</tr>
</tbody>
</table>
7.2 Policy & Resources Committee on 6 March 2014 agreed to allocate resources generated by the i360 towards reinvestment in the wider development of the seafront and its infrastructure and the landscaping works clearly meet the criteria.

7.3 As the senior funder for the i360 project the council has received £0.543m in arrangement fees and £0.280m in utilisation fees. A further £0.152m in utilisation fees is expected to be received by the end of June 2016. It is recommended that these fees totalling an estimated £0.975m are used to fund part of the landscaping works. The balance of £1m will need to be funded by borrowing with the associated financing costs met by the new annual funding streams due to the council as a direct result of the i360. The estimated life of the landscaping works exceeds 50 years but in line with i360 loan it is recommended that any loan should be fully repaid over 25 years.

<table>
<thead>
<tr>
<th>Description</th>
<th>£ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>25 year loan from Public Works Loan Board</td>
<td>1.000</td>
</tr>
<tr>
<td>Estimated financing charges in year 2016/17</td>
<td>0.024</td>
</tr>
<tr>
<td>Estimated annual financing charges (annuity – combined interest and repayment) thereafter</td>
<td>0.070</td>
</tr>
</tbody>
</table>

7.4 It is recommended that the financing charges shown above are met from part of the 3.75% margin paid to the council on the i360 loan (estimated to generate approximately £1m per annum) and the S.106 receipts payable to the council based on 1% of ticket sales (estimated to generate approximately £0.070m per annum). Both these revenue sources are ring-fenced to support investment in the seafront.

7.5 The loan is fully financed therefore it does not limit the council in terms of other investment decisions. Using this new income for investment in these works to the Seafront means that existing scarce resources do not have to be re-prioritised from current and future revenue and capital service budgets.

7.6 Members should also note that the landscaping works will create new event spaces which can be hired out generating the potential for future income streams.

Finance Officer Consulted: James Hengeveld Date: 24/09/2015

Legal Implications

7.7 As the works are not to be done by the council then procurement of the contract for the works will require due process. Although the cost of the works is below the EC Public Contracts procurement thresholds, the council’s standing orders must be complied with. Any works must proceed in accordance with legal restrictions that are registered against the legal title (protecting e.g. specified rights of the utilities).

Legal Officer Consulted: Marten Matthews Date: 02/10/2015
Equalities Implications

7.8 The landscaping scheme has been designed to ensure that, like the Brighton i360, it will be physically accessible throughout to people with mobility problems and will improve access generally to the seafront lower promenade. A new lift to the east of the i360 Visitor Centre will greatly improve accessibility overall from the Upper Esplanade and take visitors down to the newly landscaped lower promenade. Pedestrian access will also be available from Regency Square Car Park. Accessible toilets are located at the upper prom entrance area and public toilets at the western lower prom area adjacent to the new western arches.

Seating – public seating will be expanded to ensure space remains accessible to all and not just those visitors purchasing food and drink. Interpretation will also form part of the landscaping scheme to offer fuller explanation and access to the history of the West Pier and the background to the development of the i360.

Brighton i360 has committed to a system of concessions for local residents and specific promotions to be offered to local schools and colleges.

Sustainability Implications

7.9 The landscaping scheme will use low energy LED lighting and materials are being sourced to minimise environmental impact and comply with council procurement requirements.

Any other significant implications

7.10 All significant implications are dealt with in the main body of the report.
SUPPORTING DOCUMENTATION

Appendix 1

Concept Design Visual
## FOR GENERAL RELEASE

### 1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 This report proposes changes to the Council’s Constitution for approval by Policy & Resources Committee and Full Council. The issues set out in the report have been reviewed by a cross party Constitution Working Group and Leaders Group.

1.2 The changes proposed are to update the Constitution to bring it into line with new legislation or case law, to reflect good practice and to record re-alignment of Finance & Resources functions.

### 2. RECOMMENDATIONS:

That **Policy & Resources Committee**:–

2.1 Approves the proposals set out at paragraphs 3.7 to 3.8 (Realignment of Finance & Resources Functions), 3.10 (Senior Information Risk Officer) and 3.11 (Assets of Community Value).

2.2 Recommends to Full Council the proposed changes to the Council's constitution set out in paragraphs 3.2 to 3.4 (Procedure for Dismissing Certain Statutory Officers), 3.5 to 3.6 (Appointment of Chief Executive to be on the recommendation of the Appointments and Remuneration Panel), 3.9 (terms of reference of the Health & Wellbeing Board), 3.12 (Sustainable Community Strategy), 3.13 (Policy & Resources Committee Terms of Reference) and 3.15 to 3.16 (Contract Standing Orders).

That **Full Council**:–

2.3 Approves and adopts the proposed changes to the Council's constitution recommended in paragraph 2.2 above.

Both **P&R and Full Council**:–

2.4 Authorise the Acting Chief Executive and Monitoring Officer to take all steps necessary or incidental to the implementation of the changes agreed by Policy &
Resources Committee and Full Council respectively and that the Monitoring Officer be authorised to amend and re-publish the Council’s constitutional documents to incorporate the changes.

2.5 That the changes come into force immediately following approval by Policy & Resources Committee and, for matters requiring Council approval, following approval by Council.

3. CONTEXT/BACKGROUND INFORMATION

3.1 When Brighton & Hove City Council adopted its new constitution in May 2012, it was recognised that the arrangements would need to be kept under review to ensure that they are kept up to date with changes. The cross party Constitution Working Group has met to review the proposals for change set out in this report.

Procedure for dismissal of certain statutory officers

3.2 The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015 have introduced new dismissal procedures relating to the Chief Executive, the Monitoring Officer and the Chief Finance Officer. In place of the requirement to refer such matters to a Designated Independent Person, the matter is now to be referred to a committee of the Council which includes two Independent Persons.

3.3 In keeping with the Council’s aim to ensure that committee arrangements remain streamlined, it is proposed that the function is delegated to the Policy & Resources Committee to be discharged through the existing Personnel Appeal Sub-Committee and that the two required Independent Persons are invited to join the sub-committee where potential dismissal action is being considered. Where a recommendation is for dismissal, the matter will be referred to Full Council for approval.

3.4 In the event that any of the Independent Persons is not available to sit on the sub-committee to hear the case, the Monitoring Officer, or if the matter concerns the Monitoring Officer, the Chief Executive, will be authorised to appoint an Independent Person from another authority.

Officer Employment Procedure Rules

3.5 The Council’s current Officer Employment Procedure Rules require a committee or sub-committee to meet to make a recommendation to Full Council in respect of the appointment of a new Chief Executive.

3.6 It is proposed that this arrangement is managed more efficiently and quickly by enabling the existing Appointments and Remuneration Panel to make a recommendation to Full Council for the appointment of a new Chief Executive, rather than requiring a further committee meeting.
Re-alignment of Finance & Resources Functions

3.7 A review of management structures and accountabilities across Finance and Resources revealed that there were opportunities to redesign the structure to both make savings and ensure clear lines of accountability and a logical fit in terms of where services sit in the organisation. Following a consultation with staff in City Services within the Finance & Resources Directorate, the following transfer of functions is proposed:

- Electoral Services and Local Land Charges – move to Legal and Democratic Services
- Registrars – move to Legal and Democratic Services
- Coroners Services & Mortuary – move to Legal and Democratic Services
- Bereavement Services – move to Legal and Democratic Services
- Income Generation – move Performance Improvement and Programmes
- Revenue & Benefits – move to Finance
- Customer Access – move to Performance Improvement and Programmes
- Customer Experience and Complaints – move to Performance Improvement and Programmes.
- Customer Service (including Customer Service Centres) - move to Facilities & Building Services within Property & Design

3.8 Where the proposal involves a function moving to another Directorate, approval by Policy & Resources Committee is required. The Officer Delegations in the Constitution will be updated to reflect the above changes.

Health and Wellbeing Board

3.9 The Health & Wellbeing Board has continued to develop and has reviewed its terms of reference. The following proposals are made to update the Health and Wellbeing Board’s Terms of Reference:

(a) To include as a non-voting Member of the Board the Independent Chair for Adult Safeguarding. This position has recently been appointed to and mirrors the arrangements for children’s safeguarding, with the Independent Chair for Children’s Safeguarding already being a non-voting member of the Board;

(b) To include arrangements for quorum for the Health and Wellbeing Board. The Health and Wellbeing Board is made up of voting representatives from the CCG and the Council. As such, it is proposed that the quorum arrangements should be amended to reflect a requirement for at least two voting members from the CCG and two voting members from the Council to be present at a meeting of the Board;

(c) In order to reflect the partnership nature of the Board, it is proposed to appoint Deputy Chairs from the CCG and the Council (the Lead Member for Adult Care and the Chair of the CCG).
Senior Information Risk Officer

3.10 Currently, under informal arrangements, the Monitoring Officer acts as Senior Information Risk Officer (SIRO). It is proposed to formalise this within officer delegations to enable the Monitoring Officer to take decisions as SIRO on matters concerning information security and resilience.

Delegations regarding Assets of Community Value

3.11 It is proposed that the delegations to the Executive Director Environment, Development & Housing are amended to clarify the responsibilities in relation to Assets of Community Value. The delegations will be amended to reflect that the Executive Director Environment, Development & Housing is delegated authority to exercise the Councils’ functions in relation to Assets of Community Value, pursuant to the Localism Act 2011.

Sustainable Community Strategy

3.12 The Deregulation Act 2015 removed the requirement for local authorities to have a Sustainable Community Strategy from 26th May 2015. It is proposed to remove reference to the Sustainable Community Strategy in the Constitution as a strategy that is required to be adopted by full Council (Part 3.02(a)(i)) as that is no longer the case, but to retain the strategy as one of the policies or strategies that the Council chooses to adopt at Full Council.

Policy & Resources Committee Terms of Reference

3.13 Currently, the Rules of Procedure in the Constitution state that Full Council or P&R may establish working groups, forums and panels or other advisory bodies. This is to ensure that working groups and panels are focused on areas prioritised by Members and that the number of advisory groups does not increase beyond the resources available to support them.

It is proposed that the following amendments are made to the Scheme of Delegations to Committees:

a) to include under the General Delegations section that the creation of a permanent member panel requires P&R approval;
b) to include a specific reference to the ability to create permanent member panels under the specific delegations to P&R.

3.14 It is proposed to remove the reference in P&R delegations to making consultative arrangements under the Police Act 1996 as this requirement is no longer in force.

Contract Standing Orders

3.15 The Public Procurement Regulations 2015 have made a number of changes to contract award procedures and have required a review of Contract Standing Orders. The key changes include:-
• New transparency and advertising requirements for contracts;

• Measures to improve opportunities for small businesses such as no longer requiring the completion of a Pre-Qualification Questionnaire for contracts below the EU threshold, pre market engagement and a requirement for the Council to consider dividing a contract in lots;

• A new ‘light touch’ regime which applies to certain services including health, education and social care services;

• In addition, following recommendations from Internal Audit, additional provisions have been included to ensure that financial resilience checks are undertaken through formal management reviews of high value/high risk contracts.

3.16 A copy of the proposed amended Contract Standing Orders is attached at Appendix One. It is recommended that the amended Contract Standing Orders are approved. Any consequential amendments to Financial Standing Orders may be made by the Chief Finance Officer.

RIPA functions

3.17 Currently the Council’s functions under RIPA are delegated to Policy & Resources Committee. In order to afford more time to consideration of surveillance issues in more detail, it is proposed to amend the Scheme of Delegations to Committees so that Audit and Standards Committee are responsible for this function. This would accord with recommendations to the Council by the Surveillance Commissioner.

ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

3.18 The proposals set out in this report are required in order to bring the Council’s constitution up to date with current legislation or to reflect changes to existing arrangements.

4. COMMUNITY ENGAGEMENT & CONSULTATION

4.1 The cross party Constitutional Working Group and Leaders Group have been consulted regarding the proposals set out in the report. Where proposals will impact on staff, consultation has been undertaken in accordance with the Council’s Change Management Procedure.

5. CONCLUSION

5.1 The proposals reflect legislative developments and improvements to existing arrangements and it is therefore recommended that they are accepted.
6. **FINANCIAL & OTHER IMPLICATIONS:**

Financial Implications:

6.1 The proposed re-alignment of Finance and Resources functions will generate a saving through a reduction in senior management. The part year saving is reflected in the Targeted Budget Management (month 5) projections report elsewhere on this agenda. The full year savings will be included within the budget setting proposals for 2016/17. There are no further financial implications arising from the proposed changes to the constitution.

*Finance Officer Consulted: James Hengeveld  Date: 02/10/15*

Legal Implications:

6.2 These are contained in the body of the report. Where staff are affected by proposals, appropriate consultation arrangements must take place and the proper procedure must be followed in accordance with the Council’s own policies, the ACAS Code of Practice and the law, including the Trade Union and Labour Relations (Consolidation) Act 1992.

*Lawyer Consulted: Elizabeth Culbert  Date: 29/09/15*

Equalities Implications:

6.3 There are no direct equalities implications arising from this report.

Sustainability Implications:

6.4 None identified

Any Other Significant Implications:

6.5 None identified
SUPPORTING DOCUMENTATION

Appendices:

1. Contract Standing Orders (tracked changes version)
PART 7.5 CONTRACT STANDING ORDERS

General

Introduction

Procurement decisions are among the most important decisions an officer will make because the money involved is public money and the Council is concerned to ensure that high quality goods, works and services are provided. Efficient use of resources in order to achieve best value is therefore an imperative. The Council’s reputation is equally important and should be safeguarded from any imputation of dishonesty or corruption.

All staff are expected to comply with the Council’s agreed procedures, and this includes Contract Standing Orders.

Failure to comply with Contract Standing Orders when letting contracts is a serious matter, and employees should report any actual or suspected breach of Contract Standing Orders to an appropriate senior manager and the Head of Audit.

Contract Standing Order 1: Interpretation

1.1 In these Contract Standing Orders, the following terms have the following meanings:

| “Approved List” | a list of suitable Contractors- drawn up for corporate use under CSO 6 |
| “Budget Holder” | a Council Employee who is accountable for a defined budget, and is responsible for committing expenditure against that budget in accordance with the Council’s Financial Standing Orders and Regulations |
| “Contract Consultant” | any person not being an employee of the Council who is acting for the Council in relation to a Contract or proposed Contract |
| “Contract” | any agreement (i) for the supply of goods, services, or the execution of works to or for the Council including the use of consultants (ii) any Framework Agreement (iii) an agreement, where no payment is made by the Council, but which is of financial value to the Council (for example a concession agreement) |
but excluding
(i) the use of external solicitors and Counsel instructed by the Head of Law.
(ii) a contract for the purchase or sale of land
(iii) a Grants Agreement
The following are excluded from this definition of ‘Contract’: (i) sale of land; (ii) Grants (as defined below)
(iv) individual employment contracts

“Contract Finder” a centralised, Central Government run, online contract notice portal

“Contract Officer” a Council Employee authorised to deal with Contracts in accordance with CSO 3.1

“Contracts Register” the Council’s electronic register of Contracts

“Contractor” the party or potential party to a Contract

“Council” Brighton & Hove City Council

“Council Employee” any person employed on a permanent, temporary or agency arrangement by the Council

“CSO”/ “CSOs” Contract Standing Order/ Contract Standing Orders

“Director” The Chief Executive, the Assistant Chief Executive, the Monitoring Officer, all Executive Directors, and the Director of Public Health

“DPS” an electronic system used to purchase commonly used goods, works or services within a limited duration. Dynamic Purchasing System is a procurement route, similar to that of a Framework Agreement, however it allows for providers to join at different times throughout the life of the DPS.
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>“EU”</td>
<td>European Union</td>
</tr>
<tr>
<td>“EU Public Procurement Directives”</td>
<td>EU Directive 2004/18/EC EU Directive 2014/24/EU (which consolidates all previous directives relating to public works, supplies (goods) and service contracts) and any Directives and Regulations by which it is applied, extended, amended, consolidated or replaced and any re-enactment thereof</td>
</tr>
<tr>
<td>“EU thresholds”</td>
<td>EU and Government Procurement Agreement thresholds for advertisement of goods, works and services contracts as advised by the Government (as of 1 January 2014 at £172,514 for suppliesgoods and services contracts; and £4,322,012, for works contracts)</td>
</tr>
<tr>
<td>“EU Treaty”</td>
<td>the Treaty on the Functioning of the European Union and the Treaty on the European Union</td>
</tr>
<tr>
<td>“Framework Agreement”</td>
<td>An arrangement made in accordance with the UK Regulations between the council (or another Contracting Authority) and a provider or providers of goods, works or services specifying the terms under which contracts can — as and when required — be “called off” or entered into over the period during which it is in force,</td>
</tr>
<tr>
<td>“Grants”</td>
<td>A grant is an arrangement where money is given for the benefit of all or for a section of the local community for a stated purpose other than for the procurement of services (whether the services are to be given to the Council or to third parties),</td>
</tr>
<tr>
<td>“Lists”</td>
<td>Framework Arrangements and Approved Lists</td>
</tr>
<tr>
<td>“Lots”</td>
<td>One of a number of categories of supplies or services which a single procurement process has been divided into. The use of Lots potentially allows for multiple providers</td>
</tr>
</tbody>
</table>
to be appointed following one procurement process

“Most Economically Advantageous Tender” A tender which has been selected by using process of determining the best bid using weighted price and/or quality criteria. See CSO 942

“OJEU” Official Journal of the European Union

“Procurement Guidance” Corporate Procurement’s Codes of Practice (including the Procurement Toolkit), model contracts and other guidance which supplements these CSOs

“Procurement Strategy Manager” The person appointed by the Council as the Procurement Strategy Manager or any Member of the Corporate Procurement Team authorised by him/her to act on his/her behalf.

“Senior Officer” All Heads of Service and any other officer who is a member of the Corporate Management Team.

“SME” Small and medium-sized enterprises

“UK Regulations” Public Contracts Regulations 200615 (SI 1025/20152006) and all subsequent regulations giving effect to the EU Public Procurement Directives

“works” “supplies” & “services” as defined in the EU Public Procurement Directives (“supplies” are also referred to as “goods” in these CSOs)

“Director” The Chief Executive, the Assistant Chief Executive, the Monitoring Officer, all Executive Directors, and the Director of Public Health

1.2 The Chief Executive, after consultation with the Monitoring Officer and the Chief Finance Officer, may change the non-statutory thresholds in Contract Standing Orders annually (or as appropriate) to take account of changes in the retail price index and other factors so that the effectiveness and impact of the thresholds is maintained.
Contract Standing Order 2: Compliance with Contract Standing Orders and Legislation

2.1 The Monitoring Officer in consultation with the Procurement Strategy Manager shall compile and maintain CSOs and advise on their implementation and interpretation.

2.2 Every Contract made by the Council or on its behalf shall comply with the EU Treaty, the EU Public Procurement Directives and all relevant EU and domestic legislation, CSOs, and the Council’s Financial Regulations. EU and UK legislation will always override the provisions of these CSOs.

2.3 Contractors, Contractors’ employees, subcontractors and agents utilised by the Council shall be required to, at all times, comply with the requirements of the Health & Safety at Work etc Act 1974, all secondary legislation made under that Act and all other Acts, Regulations, Orders or Rules relating to Health & Safety. All contracts shall reflect these requirements and reference to the Council’s Health & Safety Code of Practice should be made in this regard.

2.4 The Corporate Procurement Strategy and Procurement Guidance held and disseminated by the Procurement Strategy Manager, shall supplement these CSOs, but these CSOs will always take precedence over the provisions of such Procurement Guidance.

2.5 It shall be a condition of any Contract between the Council and anyone who is not a Council Employee, but who is authorised to carry out any of the Council’s contracts functions, that they comply with CSOs, and the Financial Regulations of the Council as if they were Council Employees.

Contract Standing Order 3: Scheme of Delegation/Authorisation

3.1 Each Director has unrestricted delegated power to agree to the Council entering into Contracts or joining existing Framework Agreements up to the sum of £500,000. Above this sum and before inviting expressions of interest from potential bidders, Council Employees must seek approval from the relevant Committee. All Budget Holders (in relation to expenditure within their allocated budgets), Senior Officers, and Contract Officers authorised by the relevant Director or Senior Officer may agree to the Council entering into Contracts of up to £250,000 in value. Such authorisation may be expressed or implied from the duties attached to the Contract Officer’s post.

3.2 Where a Director is unavailable or otherwise unable to act, his/her functions under these CSOs may be discharged by the relevant Senior Officer.
Contract Standing Order 4: Declarations of Interest and Prevention of Corruption

4.1 Members of staff must avoid any conflict between their own interests and interests of the Council. At the beginning of any Contract process the following persons shall declare any interest, as defined in the Code of Conduct for Employees set out in the Council’s constitution, which may affect the Contract process:

4.1.1 (a) all Council Employees involved in the procurement and management of the Contract

(b) 4.1.2 Contractors

4.1.3(c) Contract Consultants

(d) 4.1.4 any other person involved in the Contract process

4.2 Directors and Senior Officers shall ensure that all Council Employees within the categories set out in CSO 4.1 and all Contract Consultants and Contractors appointed by them make written declarations of interest on their appointment and as required on any change in circumstances. Interests of Council Employees will be reviewed annually, either at the end or beginning of the financial year. The relevant Director or Senior Officer shall either certify interests as acceptable or take any necessary action in respect of potential conflicts of interest.

4.3 Directors and/or Senior Officers shall keep completed Council Employee declarations on the register of staff declarations indicating the names and grades of those declaring an interest and the nature of their interest.

4.4 Directors and/or Senior Officers shall keep completed Contract Consultants’ and Contractors’ declarations of interest and relevant Council Employees’ declarations affecting the Contract on the contract file.

4.5 If a Council Employee within the categories set out in CSO 4.1 knows that a Contract in which he/she has a pecuniary interest is before the Council, and is not the subject of an existing declaration, he/she must immediately give written notice of his/her interest to the relevant Director or Senior Officer and take no part in the contract process.

4.5 A Council Employee within the categories set out in CSO 4.1 has an interest in a Contract if he/she has or potentially has a pecuniary interest or has links, (for example, a family member or close friend works for the organisation), with an organisation or Contractor tendering or quoting for a Contract with the Council or already has a Contract with the Council, and is not the subject of an existing declaration, he/she must immediately give written
notice of his/her interest to the relevant Director or Senior Officer and take no part in the procurement process.

4.6 A Council Employee must not invite or accept any gift or reward in respect of the award or performance of any Contract. It will be for the Council Employee to prove that anything received was not received corruptly. High standards of conduct are obligatory and corrupt behaviour will lead to dismissal.

4.7 The Contract process shall ensure that the Council will operate strict separation of duties by ensuring that two authorised Council Employees are involved in the ordering, receiving and payment process. Except for low value orders with a value below £250, there must be a separation of duties between the person authorising an order and the person checking a written invoice or requisitioning the goods or services.

4.8 The following clause, (or an equivalent clause in standard forms of contract or other wording as approved by the Monitoring Officer) must be appear in every written Council Contract:

“The Council may terminate this Contract and recover all its loss if the Contractor, its employees or anyone acting on the Contractor’s behalf do any of the following things:

(a) offer, give or agree to give to anyone any inducement or reward in respect of this or any other Council Contract (even if the Contractor does not know what has been done); or
(b) commit an offence under the Bribery Act 2010; or
(c) commit any fraud in connection with this or any other Council Contract whether alone or in conjunction with Council Members or Employees.

Any clause limiting the Contractor’s liability shall not apply to this provision.”

4.64.9 A register of interests under CSO 4 may be a separate register or form part of a general register of declarations of interest as the Director or Senior Officer considers appropriate.

Contract Standing Order 5: Public Notices

5.1 Where, by virtue of these CSOs or by some other authority, public notices or advertisements are required they shall be placed in at least one relevant local publication and on the Council website ten days or
more before expressions of interest are required by the Council. Where the estimated total value of the Contract exceeds £100,000, the notice or advertisement shall be placed in at least one newspaper or journal circulating among such persons or bodies who undertake such Contracts. The requirement to give notice in a local newspaper may be dispensed with if the relevant Director or Senior Officer certifies that there are insufficient Contractors in the locality.

5.2 All Contracts whose value exceeds the relevant threshold of the EU Public Procurement Directives and which, if below the threshold may be of interest to both local suppliers and more widely including suppliers in EU member states (cross border interest) shall also be advertised in the OJEU and on Contracts Finder. Contract Officers are required to keep a record of their consideration of, and decision in respect of the potential for cross border interest in a Council Contract.

Approved Lists and Framework Agreements

Contract Standing Order 6: Approved Lists

6.1 The Head of Property and Design may compile and maintain Approved Lists of Contractors for construction related Contracts, for Contracts below each of which is below the relevant EU threshold. The Procurement Strategy Manager may compile Approved Lists for Contractors for the supply of goods and other services for Contracts below the relevant EU threshold, as appropriate.

6.2 Where compiled pursuant to CSO 6.1, Approved Lists—

(a) shall, in the case of internally managed Approved Lists, be established by advertised competition (subject to CSO 6.3); and, where possible, formalised by Framework Agreements;
(b) shall contain the names and addresses of all Contractors who meet the Approved List criteria.
(c) shall indicate the nature and value of Contracts for which the Contractors listed may be used. The value may not exceed the relevant EU threshold.
(d) where maintained internally by the council shall be reviewed in full at least every three years in addition to a review of the use of external providers from such Approved Lists.

6.3 Construction Line and standing lists of providers maintained by other public sector bodies compiled following responses to a public advertisement shall be deemed to be Approved Lists for the purpose of these CSOs.
6.4 In addition Directors with the assistance of the Procurement Strategy Manager may set up Framework Agreements in line with EU Public Procurement Directives with one or more suppliers of particular types of goods or services.

6.5 The criteria for admission to and suspension and exclusion from internally managed Approved Lists shall be specified in writing by:

(a) the Procurement Strategy Manager, for goods and services and non-construction works
(b) the Head of Property and Design, for works and works related services

6.6 Any Contractor may, by giving written notice to the Council, withdraw from any internally managed Approved List.

6.7 Where there is no Approved List or Framework Agreement, Directors and Senior Officers shall use an approved quotation or tender procedure in accordance with Procurement Guidance.

**Contract Standing Order 7: Framework Agreements**

7.1 Prior to accessing any Framework Agreement the relevant Director or Senior Officer must firstly determine that the Framework Agreement is available for legitimate use by the Council in accordance with Regulation 33 of the UK Public Contracts Regulations 2015.

7.2 Where two or more Framework Agreements exist which are capable of fulfilling the Council’s requirements, the relevant Director or Senior Officer shall select the one they consider (a) to represent the best value for money and (b) best meets any other relevant criteria; and shall keep a written record of the reasons justifying the selection.

7.3 Prior to the procurement of a new, or joining a pre-existing, Framework Agreement or consortium arrangement, the Procurement Strategy Manager must be satisfied that such an approach represents the most economically advantageous solution for a service, work, or supply provision.

7.4 When setting up a Framework Agreement for the Council, the relevant Director or Senior Manager shall use the most appropriate procurement procedure permitted by the UK Regulations.

7.5 When procuring goods or services from an existing Framework Agreement, the relevant Director or Senior Manager may:

(i) where there is only one supplier capable of fulfilling the requirement, select that supplier;
(ii) where there is more than one supplier capable of fulfilling the requirement listed on the Framework Agreement and the terms and conditions and requirements of the Framework Agreement are sufficiently specific without change as to allow award to any one of the suppliers, select one of the suppliers without the need for further competition subject to demonstrating value for money.

7.6 When procuring goods or services from an existing Framework Agreement and there is a need to refine or supplement any of the requirements referred to in 7.5(ii) above, a mini-competition inviting all those persons on the Framework who are capable of providing the goods and services must be held, such mini-competition to be held in accordance with the Framework Agreement provisions and CSOs 9, 10, 11 or 12 as appropriate.

7.7 All tenders from potential suppliers on Framework Agreements must be submitted via the e-tendering system unless an exemption from e-tendering has been approved in advance by the Procurement Strategy Manager as for example - in the case of incompatibility with the particular Framework Agreement requirements.

7.8 Before establishing or entering into a Framework Agreement or consortium arrangement, the relevant Director or Senior Manager shall be satisfied that:
(i) the term of the arrangement shall be for a period of no longer than four years;
(ii) the terms and conditions of the Framework Agreement do not compromise the Councils’ contractual requirements;
(iii) full, open, and proper competition in respect of the creation of the framework has taken place.
(iv) consideration is given to making the Framework Agreement available to other public bodies where appropriate.

Contract Standing Order 8: Contract Value and Aggregation

8.1 Council Employees shall estimate and record the total value of a proposed Contract net of VAT.
8.2 Contracts must not be artificially separated so as to circumvent the application of any CSO or of the EU Public Procurement Directives or UK Regulations.
8.3 The total value of a Contract for works, services or supply of goods is estimated to be the same as the total consideration to be payable over the term of the Contract by the Council to the Contractor. Where the Contract period is indefinite or uncertain then the estimated total value is calculated by assuming a four-year term. If the Council has an option to extend the Contract agreement the value is the value of the Contract including the period of the extension.

Requirement to Obtain Tenders
Contract Standing Order 9: Tendering Procedures

9.1 At the outset of each procurement the Contract Officer must:
   (i) assess the business need;
   (ii) ensure the procurement complies with corporate policies and priorities;
   (iii) when appropriate undertake a premarket testing exercise;
   (iv) ensure the necessary authority is in place to undertake the procurement; and
   (v) ensure that adequate provision is made within the Council’s capital or revenue estimates and that proper technical and financial appraisals have been carried out in accordance with the Council’s Financial Procedure Rules.

9.2 Where procurement of goods, services or works is required and the estimated total value of the Contract is in excess of the relevant EU threshold, EU public procurement procedures will be followed as set out in the UK Regulations and these shall prevail over tendering procedures set out in these CSOs.

9.3 For most goods, services and works Contracts the restricted, open, or competitive dialogue procedure will be used. Enquiries should be made of the Procurement Strategy Manager or Legal Services if it is proposed to use an innovation partnership or a competitive procedure with dialogue or negotiation.

9.4 For Private Finance Initiative, Public Private Partnership and similar procurement arrangements introduced by the Government, where the total Contract value is in excess of the relevant EU threshold, the restricted or competitive dialogue procedure will be used.

9.5 The Council may procure goods, services or works to any value in collaboration with other local authorities or other public or voluntary sector bodies. Where the Council is the lead buyer within the consortium of the goods, works or services contracted for, these CSOs shall apply. Where the Council is not the lead buyer, procurement procedures shall follow the spirit of these CSOs of the lead buyer, be in accordance with EU Public Procurement Directives and UK Regulations, and approved by the relevant Director or Senior Officer on the advice of either the Procurement Strategy Manager or the Head of Property and Design.

9.6 When determining a suitable procurement route, consideration will be given to all tenders with respect to:-
(i) Separating the contract into Lots in order to promote SME engagement;

(ii) Sustainability issues in accordance with the Council’s Sustainability Policy and Sustainable Procurement Policy;

(iii) In the case of service contracts the provisions of the Public Services (Social Value) Act 2012.

9.57 The procedure must be both appropriate and proportionate to the value of the contract. It must ensure that the Council achieves best value which is to be assessed by an evaluation of both the price and quality of bids received so as to determine the Most Economically Advantageous Tender over the life of the contract. Price shall be the sole criterion only where the Director, Senior Officer or the Council Employee preparing the Contract for him/her considers this to be appropriate.

9.8 Evaluation criteria and weightings for each procurement shall be determined in advance and included in the invitation to tender. Price shall always be included as a criterion, but will be used as the sole criterion only where the Director, Senior Officer or the Council Employee preparing the Contract for him/her considers this to be appropriate. Determination of criteria at all stages shall be undertaken in accordance with Procurement Guidance.

Contract Standing Order 10: Contracts Not Exceeding £25,000

10.1 Where the appropriate Director or Senior Officer estimates the total Contract value for goods, services or works is unlikely to exceed £25,000 (in the case of Consultants is unlikely to exceed £10,000) and there are suitable Framework Agreement arrangements available, those Framework Agreement arrangements shall be used. Where no Framework Agreement arrangements are available competitive quotations in writing shall be requested, on the basis of Most Economically Advantageous Tender should be sought, or a commercial negotiation with one preferred Contractor may take place. In the latter case the Director or Senior Officer shall certify that Procurement Guidance has been followed and that the Council shall receive value for money.
10.2 Contracts with an estimated total value not exceeding £25,000 shall be evidenced in writing in simple cases by way of letter or the issue of an order, the receipt of written quotations from Contractors or by sending orders to Contractors under Framework Arrangements. In the case of consultants (whatever the value) and in all other cases formal written Contracts shall be completed.

10.3 Although the tendering competitive procedures for ensuring Contracts not exceeding a total value of £25,000 are less formal than for Contracts of greater amounts, Officers should at all times bear in mind the need to seek value for money and be able to demonstrate that they have obtained it.

Contract Standing Order 11: Contracts Exceeding £25,000 and Not Exceeding £75,000

11.1 Where the Contract Officer estimates the total Contract value is likely to be greater than £25,000 (in the case of Consultants greater than £10,000) and not exceeding £75,000 and one or other of the Lists an Approved List or Framework Agreement is available then at least four competitive tenders in writing shall be sought from Contractors on the relevant Approved List or Framework Agreement.

11.2 In the absence of Lists an Approved List or Framework Agreement being available an approved tender procedure shall be used in accordance with Procurement Guidance.

11.3 In either case, if less than four suitably qualified tenders are available, the Contract Officer must consult with the Procurement Strategy Manager.

11.4 Where criteria additional to price are to be used in evaluation, these must be set out in the invitation to tender. At least two bona fide tenders must be received and the Most Economically Advantageous Tender accepted.

11.5 If only one compliant tender is received, the Contract Officer must consult with the Procurement Strategy Manager and provide evidence to show that the Council can obtain value for money.

11.6 Contracts with an estimated total value greater than £25,000 and not exceeding £75,000 shall be evidenced in writing in simple cases by the receipt of a written quotation and the delivery of an official order form, in the case of consultants and in all other cases by the completion of a formal written Contract must be entered into.

Contract Standing Order 12: Contracts Exceeding £75,000
12.1 Where the appropriate procuring Contract Officer estimates that the total value of a Contract is likely to exceed £75,000 and not exceed the applicable EU Threshold Value and either a Framework Agreement or one or other of the Approved Lists is available, then at least five tenders will be sought from Contractors on the relevant Framework Agreement or Approved List.

12.2 In the absence of a Framework Agreement or Approved Lists being available an approved tender procedure shall be used in accordance with Procurement Guidance and, where applicable, in accordance with the EU Public Procurement Directives and UK Regulations and at least five tenders must be sought.

12.3 If less than five suitably qualified tenders are available, the Contract Officer must consult with the Procurement Strategy Manager.

12.4 Where criteria additional to price are to be used in evaluation, these must be set out in the invitation to tender.

12.45 At least two compliant tenders must be received and the Most Economically Advantageous Tender must be accepted. Notwithstanding CSO 12.4 this, if only one compliant tender is received, the Contract Officer must consult with the Procurement Strategy Manager and provide evidence to show that the Council can obtain value for money.

12.65 Where the estimated total value of the Contract is such that the Council is required by law to comply with the EU Public Procurement Directives the requirements thereof shall be complied with and the tender procedures set out in these CSOs shall be deemed to be satisfied by such compliance.

12.76 Decisions relating to the Contract process for Contracts exceeding the thresholds for the EU Public Procurement Directives shall be made by the Director or Senior Officer in consultation with either:

(a) the Procurement Strategy Manager, for goods and services Contracts; or
(b) the Head of Property and Design for works Contracts.

Contract Standing Order 13: Procedures for procuring contracts for Public Health, Health and Social Care Services

12.813.1 Social Care Contracts PublicHealth, Health and Social Care Services

must be procured in accordance with the EU Public Procurement Directives and UK Regulations, but are otherwise exempt from CSOs 10-12 save for the requirement to demonstrate obtaining value for money set out at 12.9 to 12.15 below.
to the extent that those rules apply.

12.913.2 The Council recognises that, whilst the full requirements of the Public Contracts Regulations 2006 UK Regulations, including the requirement for advertising in the Official Journal of the European Union (OJEU) do not apply to contracts for public health and social care services, they are nevertheless subject to EU Treaty principles of transparency and fairness that are designed to facilitate the functioning of the EU.

13.3 The Council recognises that the Care Act 2014 introduces and consolidates a number of duties which must be taken into account in when commissioning services.

12.1013.4 In each case of procuring a contract for public health, health or social care services where the contract value exceeds the EU thresholds, the relevant Director in consultation with the Head of Law shall be responsible for deciding the process to be followed to ensure that these principles are complied with and that the contract represents value for money.

12.1113.5 In making this assessment the Director shall take account of the individual circumstances of the contract, including the subject matter and estimated value of the contract, the specifics of the service sector concerned and the geographic location of the place of performance of the contract.

12.1213.7 The Director, following consultation with the Procurement Strategy Manager, may determine subject to any applicable notice provisions that it is not necessary to seek offers in relation to the contract via an OJEU notice, and that competition for a contract may be limited if any of the following apply:

- It can be demonstrated that the contract is of no interest to service providers in other EU member states; and/or
- The total sum to be paid under the contract is so low that service providers located in other EU member states would not be interested in bidding for the contract; and/or
- The service is of such a specialised nature that no cross-border market of suitable service providers exists; and/or
- Advertising the contract would result in the loss of a linked service; and/or
- The existing service provider(s) are the only service provider(s) capable of delivering the service to meet the needs of the individual(s) concerned; and/or
- The nature of the service is such that it should not or cannot be adequately specified in advance because of the nature of the social care needs of the service user(s) concerned; and/or
There are special circumstances such as ownership of land or property, geographic locations or particular skills or experience of service providers of social care which limit the choice to one service provider; and/or
There are reasons of extreme urgency, brought about by unforeseen events which are not attributable to the Council.

The Director shall be required to maintain a list of all contracts which he/she decides do not require to be advertised on the basis of the determinations made under the above.

The decisions will all be fully documented. Any reasons for deciding that a proposed contract will not be advertised (including evidence as to how Best Value will have been achieved) must be recorded and included on the list which is to be published/go to the elected members under paragraph 13.6[ ] above.

Best Value can be achieved by:

- Understanding and testing the unit costs associated with a particular service (benchmarking);
- Making sure that decisions are based on up to date data;
- The use of locally or nationally agreed set rates based on an agreed formula;
- Ensuring high cost services are regularly reviewed;
- Joint purchasing where possible.

Contract Standing Order 12A14: Contract Formation and Threshold for Sealing

All Contracts should be formed using the Council's standard terms and conditions applicable to the type of contract in question, as issued from time to time by Legal Services.

Any Contract with an estimated value of £100,000 or less which does not use the Council's standard terms and conditions (as referred to in paragraph 12A.1) must be referred to the Procurement Strategy Manager for advice prior to the issue of the tender or quotation documents.

Any Contract with an estimated value of £100,000 or less which does not use the Council's standard terms and conditions (as referred to in paragraph 12A.1) must be referred to Corporate Procurement for advice before executing the Contract. Any Contract with an estimated value over £100,000 which does not use the Council's standard terms and conditions (as referred to in paragraph 12A.1) must be forwarded to Legal Services prior to execution, for advice as to whether the proposed Contract adequately protects the council's interests. Due
regard must be had to the advice of Legal Services prior to the Contract being executed by the Council.

42A14.43 Any Contract with an estimated value of £100,000 or less which does not use the Council’s standard terms and conditions (as referred to in paragraph 12A.1) must be referred to Corporate Procurement for advice before executing the Contract.

Any Contract with an estimated value over £100,000 which does not use the Council’s standard terms and conditions (as referred to in CSO paragraph 134.1) must be forwarded to Legal Services prior to the issue of a tender, for advice as to whether the proposed Contract adequately protects the Council’s interests.

42A14.4 Without prejudice to paragraph 42ACSO 143.1.1, the Head of Law may approve other terms and conditions to be used in respect of a particular Contract or type of Contracts when appropriate to protect the Council’s interests.

42A14.5 Subject to paragraph 12A.6–

(i) Contracts with an estimated value over £250,000 shall be executed as a deed using the Common Seal of the Council;

(ii) Contracts with an estimated value of £250,000 or less may be executed as a simple contract and signed by an officer duly authorised for that purpose in accordance with CSO 3.1.

42A14.6 The Head of Law may, on a case by case basis or in relation to a particular class of contracts and taking all relevant circumstances into account, stipulate the method by which a particular contract or class of contracts is to be executed, irrespective of the overall estimated value of the Contract.

Tendering Process

Contract Standing Order 4315: Delivery, Opening, and Evaluation of Tenders

1315.1 Whenever a Contract is to be procured, the Contract Officer or, for Contracts with an estimated value over £100,000, the Procurement Strategy Manager, shall stipulate whether Tenders are to be submitted by the method means by which tenders are to be submitted. For each set of tenders, only one of the following two methods of submission shall be permitted:

(i) postal; or

(ii) electronically using the Council’s corporate e-tendering system.

13.215.2 Any form of electronic submission (including e-mail) that does not form part of the corporate e-tendering system shall not be
permitted, and tenders submitted in such a way shall be treated as invalid.

15.1 Tenders for Contracts must be submitted by entirely electronic means using the Council's corporate e-tendering system.

15.2 Alternative methods of submission, including postal submissions, may be permitted in exceptional circumstances and only with the express written authorisation from the Procurement Strategy Manager.

15.3 Any form of electronic submission (including e-mail) that does not form part of the corporate e-tendering system shall not be permitted, and tenders submitted in such a way shall be treated as invalid.

15.4 Where tenders are to be submitted electronically, paragraphs 15.4.1 and 15.4.2 shall apply:

15.4.1 All tenders for any Contract shall be returned via the e-tendering system.

15.4.2 A tender box shall be used and all tenders shall be opened at the same time by a minimum of two authorised procurement officers. Any tender received after the specified time shall not be considered for evaluation.

15.3 Where tenders are to be submitted by post, paragraphs 15.3.1 and 15.3.2 shall apply:

15.3.1 All tenders for any Contract estimated to be under a total of £75,000 in value shall be returned to the Director or Senior Officer inviting the tender (or his/her nominee), or as otherwise indicated in CSOs, in envelopes which shall bear no mark to identify the sender. The Officer shall be responsible for ensuring that a record of all such tenders received is kept.

15.3.2 For Contracts with an estimated total value exceeding £75,000 all tenders shall be returned as appropriate to the Head of Property and Design or the Procurement Strategy Manager in envelopes, which shall bear no mark to identify the sender and shall be opened by him/her at the same time in the presence of a Council Employee designated by the relevant Director or Senior Officer. The Head of Property and Design and the Procurement Strategy Manager shall each maintain a record of all such tenders received by him/her.
All tenders shall be opened at the same time, as soon as is reasonably practicable after the closing date, normally on the closing date. On receipt, all tender envelopes shall be endorsed with the time and date of receipt and kept secure until the time specified for tender opening. Any tender received after the specified time shall not be considered for evaluation and shall be returned promptly to the tenderer. A late tender may be opened to ascertain the name of the tenderer but no details of the tender shall be disclosed.

**Contract Standing Order 16: Contract Award**

16.1 No Contract may be awarded unless the expenditure involved has been included in approved estimates or on capital or revenue accounts, or has been otherwise approved by, or on behalf, of the Council. The Director or Senior Officer shall ensure that evidence of authority to spend, and the budget code to be used, is recorded on the Contract file.

16.2 Each Contract shall be awarded in accordance with evaluation criteria that have been adopted for the Contract. Evaluation criteria and weightings for each criterion for both the pre-qualification and the invitation to tender stages shall be determined in advance and included in the invitation to tender. Price shall always be included as a criterion, but will be used as the sole criterion only where the Director, Senior Officer or the Council Employee preparing the Contract for him/her considers this to be appropriate. Determination of criteria at all stages shall be undertaken in accordance with Procurement Guidance.

16.3 Contract Officers shall arrange for formal management reviews of high value and/or high risk contracts to be put in place by Executive Directors and shall have regard to Procurement Guidance issued on the management of Contracts.

**Contract Standing Order 1417: Contracts Registers and Records**

174.1 The Contracts Register An electronic register of all renewable Contracts above a total value of £25,000 (and all contracts over £75,000) in value, shall be kept centrally and maintained by the Procurement Strategy Manager each Contract Officer using the Intranet or similar. The Contracts Register is a public document which shall be available for inspection on the Council’s website.

172 Each Contract Officer shall be responsible for providing the information set out in CSO 17.3 below to the Head of Procurement for inclusion in the Contracts Register within 5 working days of the Contract completion.

176.3 Such register shall specify for each Contract...
The register shall be open for inspection by any Member of the Council.

17.4 The Contract Officer responsible for procuring a Contract, Framework Agreement or DPS dynamic purchasing system whose value is estimated to exceed the applicable threshold published from time to time in the Official Journal shall maintain a record of each procurement and shall draw up a written report complying with the provisions of Regulation 84(1-5) of the UK Regulations.

17.5 All procurement procedures shall be documented regardless of value and the documentation retained for 3 years from the date of award of contract.

14.2 A renewable contract is a contract that gives either party the right to extend the contract for further period(s) beyond the expiry date.

**Contract Standing Order 15: Prevention of Corruption**

15.1 A Council Employee must not invite or accept any gift or reward in respect of the award or performance of any Contract. It will be for the Council Employee to prove that anything received was not received corruptly. High standards of conduct are obligatory and corrupt behaviour will lead to dismissal.

15.2 The contract process shall ensure that the Council will operate strict separation of duties by ensuring that two authorised Council Employees are involved in the ordering, receiving and payment process. Except for low value orders with a value below £250, there must be a separation of duties between the person authorising an order and the person checking a written invoice or requisitioning the goods or services.

15.3 The following clause, (or an equivalent clause in standard forms of contract or other wording as approved by the Monitoring Officer) must be put in every written Council Contract:

> “The Council may terminate this Contract and recover all its loss if the Contractor, its employees or anyone acting on the Contractor’s behalf do any of the following things:
> (a) offer, give or agree to give to anyone any inducement or reward in respect of this or any other Council Contract (even if the Contractor does not know what has been done); or
(b) commit an offence under the Bribery Act 2010; or
(c) commit any fraud in connection with this or any other Council Contract whether alone or in conjunction with Council Members or Employees.

Any clause limiting the Contractor’s liability shall not apply to this clause.”

Contract Standing Order 18: Termination

18.1 Contracts regulated by the UK Regulations Public Contract Regulations 2015 shall incorporate the right to terminate the Contract where:

(i) the Contract has been subject to a substantial modification which would have required a new procurement procedure under Regulation 72 of the UK Regulations PCR 2015;

(ii) the Contractor has, at the time of the Contract award, been in one of the situations referred to in Regulation 57 of the UK Regulations PCR 2015 (mandatory exclusions) and should have been excluded from the procurement procedure; and

(iii) the EU Court of Justice has declared that the Contract should not have been awarded to the Contractor in view of a serious breach of the EU Treaties and the EU Public Procurement Directives; and

(iv) where the Contractor (or his employees) is in breach of the provisions of the Bribery Act 2010

Operation of Contract

19.1 Funding must be identified before any variation of an existing Contract which will require the Council to provide additional funding is approved in accordance with the Council’s Financial Regulations. See Financial Regulation D.2.2.17.

19.2 Contract Officers should state in the initial procurement documents and incorporate in Contract provisions as far as possible clear, precise and unequivocal review clauses stating the scope and nature of possible variations.
19.3 If modifications are required to a contract and a change of contractor cannot be made for technical or economic reasons which were not provided for in the initial procurement documents, such modifications shall be permitted when the value of the modification does not exceed 50% of the value of the original contract and the revised value of the contract does not exceed the relevant EU Threshold. 17.3.

19.4 Modifications which are defined as substantial in accordance with the UK Regulations are not permitted.

16.1 Prior approval must be obtained from the appropriate Director after consultation with the Chair of the relevant Committee, if the proposed variation would together with all other variations to the contract:

(a) extend the contract value or period by 50% or more; and / or

(b) mean the works, services or goods to be added to or deleted from the contract are substantially different in scope.

16.3 Extensions to contracts exceeding the relevant EU Threshold shall not be permitted unless indicated in the original OJEU notice. For contracts below the relevant EU Threshold at original award, extensions to such contracts shall not be permitted if the revised value then exceeds the relevant EU Threshold.

Contract Standing Order 1718: Contract Award

17.1 No contract may be awarded unless the expenditure involved has been included in approved estimates or on capital or revenue accounts, or has been otherwise approved by, or on behalf, of the Council. The Director or Senior Officer shall ensure that evidence of authority to spend, and the budget code to be used, is recorded on the contract file.

17.2 Each contract shall be awarded in accordance with evaluation criteria that have been adopted for the contract. (See CSO 13.4 relating to evaluation.)

Contract Standing Order 1820: Waivers of Contract Standing Orders

18.1 Special procedural exemptions or waivers may from time to time be given by the relevant Committee to particular classes of contracts in line with the Council’s procurement strategy, as specified in Committee reports.
Subject to CSO 1820.6, in relation to Contracts estimated to not exceed a total value of £75,000, a Director may waive the requirements of any CSO, as long as:

(a) the Procurement Strategy Manager is notified as soon as possible.
(b) the Director certifies in writing to the Procurement Strategy Manager the CSO being waived and the reasons for doing so.

Subject to CSO 1820.6, in relation to Contracts estimated to exceed a total value of £75,000, a Director may, after consultation with the Chair of the relevant Committee and the Procurement Strategy Manager, waive the requirements of CSOs as long as:

(a) the waiver report (the Report) is compiled after consulting with the Procurement Strategy Manager;
(b) the Report is issued setting out the CSO being waived and the reasons for the waiver;
(c) the Report includes legal and financial comments and highlights, as necessary, any future commitment (whether of a financial character or not) which the Contract may entail; and
(d) the Report justifies the method of Contractor selection so that value for money and compliance with EU and domestic law can be demonstrated.

If an emergency has been declared under the Council’s emergency planning or business continuity procedures and it is not possible or practicable for a Council Employee who would normally exercise the powers of waiver under CSO 1820.2 and CSO 1820.3 to do so, the powers may be exercised by (i) the Council Employee who is designated to be in charge, under those procedures or (ii) any Council Employee appointed by him / her to act on his / her behalf. Further, if it is not possible or practicable for that Council Employee, before exercising the powers under CSO 1820.3, to consult the Chair of the relevant Committee or the Procurement Strategy Manager or to issue the necessary Report, the Council Employee may exercise the powers without doing so but shall take such steps as appear appropriate at the time to keep the Chair of the relevant Committee and the Procurement Strategy Manager informed and shall issue the Report as soon as is reasonably practicable.

A report for information giving a digest of all waivers under CSO 1820.2, 1820.3 and 1820.4 shall be made by the Procurement Strategy Manager covering the previous financial year annually to the Policy and Resources Committee.

For the avoidance of doubt, no waivers may be made so as to alter the full application of CSO 4 (Declarations of Interest), CSO 14-17 (Contract Registers), of CSO 4 (Declarations of Interest and
Prevention of Corruption), CSO 16 (Contracts Awards), CSO 17 (Contract Registers and Records), CSO 19.3 and 19.4 (Contract Modification), CSO 15 (prevention of corruption) CSO 16.3 (Contract Variation), CSO 17 (Contracts Awards), CSO 19 (Risk Management), or to CSO 20 (Negotiation standards) or if such waiver would result in a breach of EU or domestic law, provided that in exceptional circumstances where the Director is satisfied that a waiver of CSO 19.3 and/or 19.4 is necessary to ensure the continuity of services, works and/or supplies which would otherwise cease, a waiver of CSO 19.3 and/or may be made so as to permit the continuation of the services, works and/or supplies until a new contract has been let.

2018.7 A register of all waivers will be maintained by Property and Design and kept available for inspection by the public with reasonable notice during working hours.

**Contract Standing Order 20: Negotiation**

20.1 Procurement of goods, services and works shall normally be through the competitive tendering process set out in these CSOs. Under these CSOs negotiation with one Contractor is normally only permissible for very low value Contracts as set out in CSO 10 or when using the EU Competitive Dialogue Procedure under CSO 9. Where negotiation is undertaken this shall be conducted having regard to the Negotiation Code of Practice.
1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 Brighton & Hove City Council and East Sussex County Council are signed up to a Joint Working Agreement (JWA) to manage the PFI Integrated Waste Management Services Contract (IWMSC) with Veolia.

1.2 The JWA has been reviewed and updated to reflect changes in the way the contract is managed. This report sets out the main changes and the reasons behind them and seeks formal sign off of the JWA. The JWA is commercially sensitive and is presented as a Part 2 agenda item.

2. RECOMMENDATIONS:

2.1 That the Committee approves the revised Joint Working Arrangement between Brighton & Hove City Council and East Sussex County Council described in this report and presented in the Part 2 paper;

2.2 That the Committee grants delegated authority to the Executive Director Environment, Development and Housing, following consultation with the Chair, to approve future amendments to the Joint Working Agreement.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 Brighton and Hove City Council (BHCC) and East Sussex County Council (ESCC) (the Councils) have formalised joint waste management arrangements through the Integrated Waste Management Services Contract (IWMSC) with Veolia. The IWMSC will run until March 2033 and is worth around one billion pounds.

3.2 The Joint Working Agreement (JWA) regulates the operation of the IWMSC between the two Councils, and in particular the apportionment of payments to and from Veolia as well as between the Councils. It has been reviewed to reflect
changes to the governance arrangements and working practices that have taken place since it was signed in 2003.

3.3 There have been significant changes to a number of base assumptions that were made when the IWMSC was entered into and the JWA was originally signed in 2003. Changes now need to be made to reflect today’s circumstances and ensure that the payment section (section 7) remains fair and equitable.

3.4 Significantly the original IWMSC did not have provision for the Councils to share in any income that Veolia receive from accepting commercial waste at the facilities, or by selling electricity generated at the Energy Recovery Facility. The Councils have recently successfully negotiated an income share on these items. The share of income between the Councils had to be built into the JWA and it is based on the proportion of household waste delivered under the IWMSC by each Council.

3.5 The financial benefit to Brighton and Hove of these negotiated improvements is expected to be in the order of £49,000 per year. The Councils have also negotiated changes to the way Waste Electronic and Electrical Equipment (WEEE) is accounted for in the contract which is expected to reduce disposal costs by a further £81,000 per year. These savings have been built in to the financial forecasting model.

3.6 The revised JWA corrects a calculation where one of the Councils could end up paying more landfill tax if the total amount of waste it delivers to Veolia decreases, which is not equitable. This situation was not expected to occur at the time the JWA was signed, when levels of waste were going up each year.

3.7 The revised JWA also corrects a situation in which one of the Councils could end up paying for more than its fair share of costs should the total tonnage of waste managed by Veolia fall below 300,000 tonnes per year at some stage in the future.

3.8 The governance of the IWMSC has changed. The Joint Waste Committee has been disbanded so references to this and the Constitution Agreement (which related to the Joint Waste Committee) have been removed. Obligations in relation to Member involvement reflecting the current governance approach have been inserted as clause 6A.

3.9 The original JWA set out how management charges would be shared between the parties, but did not set out the principles. These have now been added under schedule 1, paragraph 4.

3.10 Officers have worked closely with colleagues in ESCC to develop and finalise the necessary changes. This has included extensive modelling of the potential impact of various scenarios to ensure that any changes or additions have the intended consequences and are fair to both Councils. The amended document has been reviewed and approved by the Joint Waste Board, which manages the implementation and operation of the waste disposal services provided under the IWMSC.
4. CONCLUSIONS

4.1 Parts of the current JWA are outdated and do not reflect the governance or financial practices that are being applied to the IWMSC. The document has been revised to be consistent with the governance and other joint working arrangements between the Councils. It is therefore recommended that the Committee approves the revised JWA.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

5.1 The budget for the IWMSC is based on estimates of income and expenditure over the whole life of the contract and is supported by a number of complex financial models developed jointly by both councils and fully tested by audit. These models are regularly updated to reflect the latest forecasts and assessments of future risks to ensure that the council has sufficient provision in the waste disposal budget and waste PFI reserve to meet the estimates of future net costs. The financial models have also been updated to reflect the revised JWA and have been used to ensure that the proposed changes to the JWA are fair to both councils under a range of different possible scenarios.

5.2 The forecast additional income from electricity and commercial waste as well as the estimated savings from disposal of WEEE items were built into the setting of the 2015/16 budget and medium term financial strategy, therefore there are no further financial adjustments needed at this time. The budget will be reviewed again in detail as part of the 2016/17 budget process.

Finance Officer Consulted: James Hengeveld Date: 08/09/15

Legal Implications:

5.3 The JWA regulates the operation of the Integrated Waste Management Services Contract as between the two Councils, and in particular the apportionment of payments to/from Veolia as between the Councils. The JWA was first agreed in March 2003 at contract close. The revisions proposed in this report are required to ensure that the Agreement reflects the negotiated improvements to the contract as set out in the report.

Lawyer Consulted: Elizabeth Culbert Date: 28th August 2015
SUPPORTING DOCUMENTATION

Appendices:

1. A copy of the Joint Working Agreement is available as a Part 2 document
Document is Restricted
Document is Restricted
Document is Restricted