





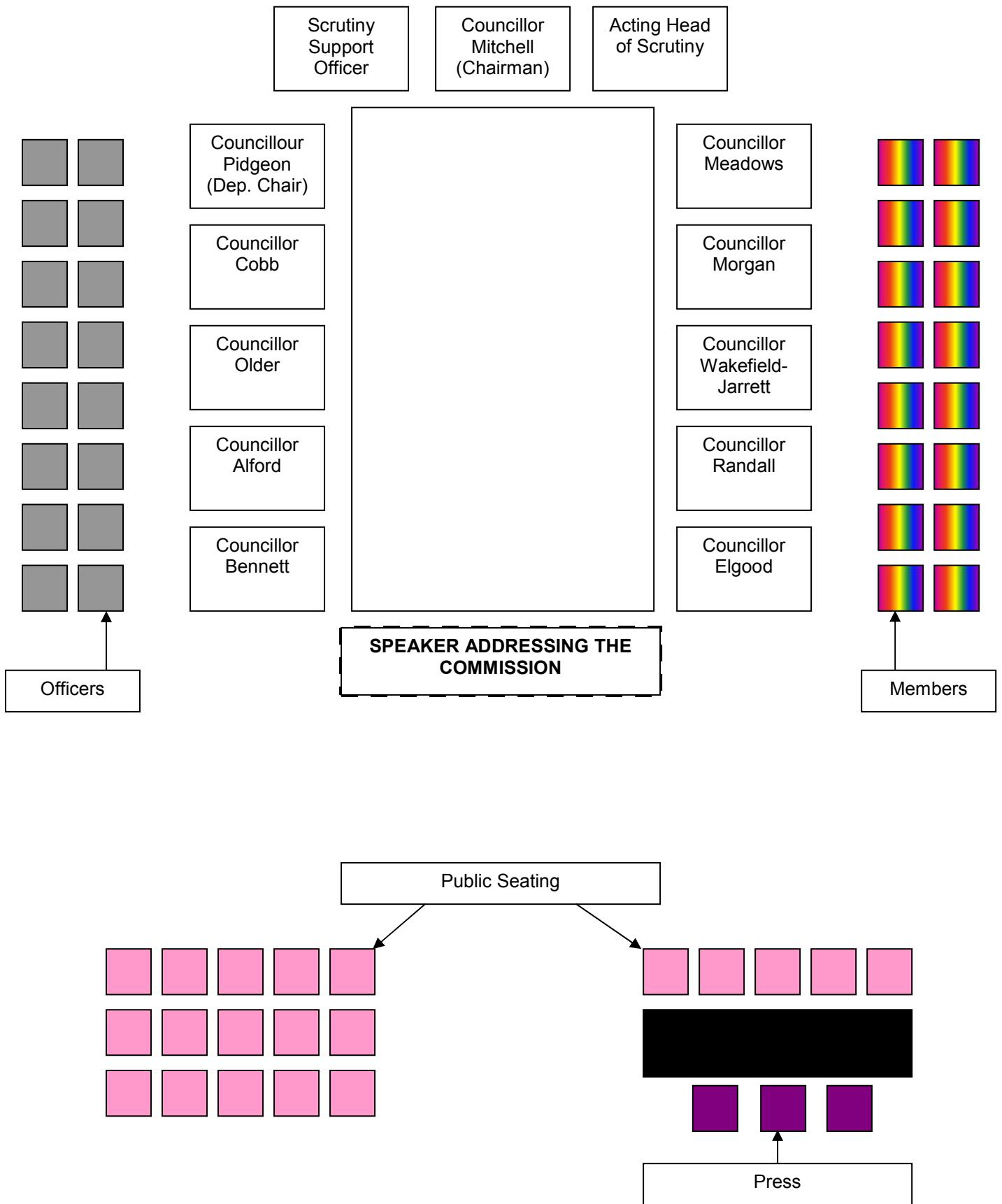
Brighton & Hove
City Council

Overview & Scrutiny

Title:	Overview & Scrutiny Commission
Date:	2 December 2008
Time:	4.00pm
Venue	Council Chamber, Hove Town Hall
Members:	Councillors: Mitchell (Chairman) Pidgeon (Deputy Chairman), Alford, Bennett, Mrs Cobb, Elgood, Meadows, Morgan, Older, Randall and Wakefield-Jarrett
Contact:	Mary van Beinum Scrutiny Support Officer 01273 - 29 - 1062 mary.vanbeinum@brighton-hove.gov.uk

	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: <ul style="list-style-type: none">• 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.

Overview & Scrutiny Commission: Meeting Layout



AGENDA

55. PROCEDURAL BUSINESS

55A Declaration of Substitutes

Where a Member of the Commission is unable to attend a meeting for whatever reason, a substitute Member (who is not a Cabinet Member) may attend and speak and vote in their place for that meeting. Substitutes are not allowed on Scrutiny Select Committees or Scrutiny Panels.

The substitute Member shall be a Member of the Council drawn from the same political group as the Member who is unable to attend the meeting, and must not already be a Member of the Commission. The substitute Member must declare themselves as a substitute, and be minuted as such, at the beginning of the meeting or as soon as they arrive.

55B Declarations of Interest

(1) To seek declarations of any personal or personal & prejudicial interests under Part 2 of the Code of Conduct for Members in relation to matters on the Agenda. Members who do declare such interests are required to clearly describe the nature of the interest.

(2) A Member of the Overview and Scrutiny Commission, an Overview and Scrutiny Committee or a Select Committee has a prejudicial interest in any business at meeting of that Committee where –

(a) that business relates to a decision made (whether implemented or not) or action taken by the Executive or another of the Council's committees, sub-committees, joint committees or joint sub-committees; and

(b) at the time the decision was made or action was taken the Member was

(i) a Member of the Executive or that committee, sub-committee, joint committee or joint sub-committee and

(ii) was present when the decision was made or action taken.

(3) If the interest is a prejudicial interest, the Code requires the Member concerned:-

to leave the room or chamber where the meeting takes place while the item in respect of which the declaration is made is under consideration. [There are three exceptions to this rule which are set out at paragraph (4) below].

not to exercise executive functions in relation to that business and
not to seek improperly to influence a decision about that business.

(4) The circumstances in which a Member who has declared a

OVERVIEW & SCRUTINY COMMISSION

prejudicial interest is permitted to remain while the item in respect of which the interest has been declared is under consideration are:-

for the purpose of making representations, answering questions or giving evidence relating to the item, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise, BUT the Member must leave immediately after he/she has made the representations, answered the questions, or given the evidence,

if the Member has obtained a dispensation from the Standards Committee, or

if the Member is the Leader or a Cabinet Member and has been required to attend before an Overview and Scrutiny Committee or Sub-Committee to answer questions.

55C Declaration of Party Whip

To seek declarations of the existence and nature of any party whip in relation to any matter on the Agenda as set out at paragraph 8 of the Overview and Scrutiny Ways of Working.

55D 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 2 of the Agenda states in its heading the category under which the information disclosed in the report is confidential 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.

56. MINUTES OF THE PREVIOUS MEETING

1 - 6

Minutes of the meeting held on 21 October 2008.

57. CHAIRMAN'S COMMUNICATIONS

58. PUBLIC QUESTIONS

59. LETTERS FROM COUNCILLORS

60. NOTICES OF MOTION REFERRED FROM COUNCIL

OVERVIEW & SCRUTINY COMMISSION

- 61. BUDGET UPDATE FOR BUDGET SETTING 2009 - 2010** **7 - 12**
Report of the Director of Finance and Resources.
Contact Officer: Mark Ireland *Tel:* 01273 291240
Ward Affected: All Wards
- 62. TARGETTED BUDGET MANAGEMENT MONTH 6** **13 - 48**
Report of the Director of Finance and Resources
Contact Officer: Patrick Rice *Tel:* 01273 291268
Ward Affected: All Wards
- 63. DIGNITY AND RESPECT AT WORK** **49 - 56**
Report of the Director of Strategy and Governance
Contact Officer: Shaun Rafferty *Tel:* 291290
Ward Affected: All Wards
- 64. WORKING RELATIONS WITH OLDER PEOPLE'S COUNCIL** **57 - 66**
Report of the Director of Strategy and Governance.
Contact Officer: Abraham Ghebre-Ghiorghis *Tel:* 29-1500
Ward Affected: All Wards
- 65. OVERVIEW AND SCRUTINY WORK PLAN** **67 - 72**
Report of the Director of Strategy and Governance
Contact Officer: Mary van Beinum *Tel:* 01273 291062
Ward Affected: All Wards

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 to committees and details of how questions 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 Chairman will confirm if all or part of the meeting is being filmed.

OVERVIEW & SCRUTINY COMMISSION

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).

Therefore by entering the meeting room and using the seats around the meeting tables you are deemed to be consenting to being filmed and to the possible use of those images and sound recordings for the purpose of web casting and/or Member training. If members of the public do not wish to have their image captured they should sit in the public gallery area.

If you have any queries regarding this, please contact the Head of Scrutiny or the designated Overview & Scrutiny Support Officer listed on the agenda.

For further details and general enquiries about this meeting contact Mary van Beinum, (01273 - 29 - 1062, email mary.vanbeinum@brighton-hove.gov.uk) or email scrutiny@brighton-hove.gov.uk

Date of Publication - Monday, 24 November 2008

BRIGHTON & HOVE CITY COUNCIL
OVERVIEW & SCRUTINY COMMISSION
4.00PM 21 OCTOBER 2008
COUNCIL CHAMBER, HOVE TOWN HALL
MINUTES

Present: Councillors Mitchell (Chairman); Pidgeon (Deputy Chairman), Alford, Bennett, Mrs Cobb, Morgan, Randall, Wakefield-Jarrett, Watkins and Hyde

Also Present: Councillors Jan Young and Ayas Fallon-Khan

PART ONE

42. PROCEDURAL BUSINESS

The Chairman stated at the beginning of the meeting that the meeting was being filmed and held in archive. Any members of the public who did not wish to be recorded on camera could sit in the public gallery to observe the meeting.

Councillor Warren Morgan (non-voting Member) was substituting as a voting Member for Councillor Anne Meadows

Councillor Watkins was substituting for Councillor Paul Elgood

Councillor Hyde was substituting for Councillor Averil Older.

In accordance with section 100A(4) of the Local Government Act 1972, **it was** considered whether the press and public should be excluded from the meeting during the consideration of any items contained in the agenda, having regard to the nature of the business to be transacted and the nature of the proceedings and the likelihood as to whether, if members of the press and public were present, there would be disclosure to them of confidential or exempt information as defined in section 100I (1) of the said Act.

There were no declarations of interest or party whip.

43. MINUTES OF THE PREVIOUS MEETING

RESOLVED - That the minutes of the meeting held on 9 September be agreed and signed by the Chairman.

44. CHAIRMAN'S COMMUNICATIONS

The Chairman told the meeting that the new Head of Overview and Scrutiny Tom Hook, had been appointed and would be starting from 5th January 2009.

She welcomed to the meeting the Cabinet Members Councillors Jan Young and Ayas Fallon-Khan to introduce their reports.

45. PUBLIC QUESTIONS

There were none.

46. LETTERS FROM COUNCILLORS

There were none.

47. NOTICES OF MOTION REFERRED FROM COUNCIL

There were none.

48. 2008/2009 QUARTER ONE PERFORMANCE IMPROVEMENT REPORT; NEW PERFORMANCE MANAGEMENT ARRANGEMENTS

The Head of Improvement and Performance introduced the report which had been considered by 18 September Cabinet meeting.

The Head of Improvement and Performance answered questions on

- 16 to 18 year olds who are not in education or training
- Perceptions of anti-social behaviour
- Re-offending rates of prolific and priority re-offenders
- Workless residents helped back into work

The Committee agreed to ask for the Quarter Two (July to September) performance report to be presented to the next meeting on 2 December.

RESOLVED:

- 1) That the new performance management arrangement be noted.
- 2) That OSC receive twice-yearly performance reports in full; where possible before Cabinet receives them, plus the Quarter 2 report at its next meeting.
- 3) That it be noted that the five scrutiny committees will receive extracts relevant to their remit from the performance reports, as necessary.

49. TARGETTED BUDGET MANAGEMENT MONTH 4

The Interim Head of Finance and Resources introduced the report setting out the forecast outturn position on the revenue and capital budgets as at the end of July 2008 (Month 4). The report had been presented to Cabinet on 18 September.

Asked about energy costs, particularly as regards the Museums Service, he said he said there would be additional pressures, especially in the next financial year. Regarding concessionary bus fares (report paragraph 3.10 refers) he said in his view the council could only have budgeted as it did. He confirmed there was still a risk of a further bus fares increase later in the year.

RESOLVED

- 1) That the report and replies be noted
- 2) That the Commission note that an additional OSC meeting has been arranged on 3 February 2009 to consider the 2009/2010 budget proposals.

50. COMMUNITY ENGAGEMENT FRAMEWORK

Councillor Jan Young (as substitute for Councillor Dee Simson, the Cabinet Member for Community Affairs, Inclusion and Internal Relations) introduced the report on Consultation Feedback on the Community Engagement Framework. The final document was scheduled to be signed off by Cabinet and the Stronger Communities Partnership on 20 November and by 2020 Community Partnership Board on 2 December.

Councillor Young said the CEF was a high-level strategic partnership document for the 2020 Community Partnership and its members. However a communications plan would be produced and an appropriate version developed for community and voluntary groups and residents.

Members welcomed the report and the moves to encourage residents to become involved. They noted there was only one elected BHCC Councillor serving on the Stronger Communities Partnership and suggested that additional elected Members would reinforce Councillors' roles as Community Champions.

Answering questions the Head of Policy and Senior Policy Officer said the Stronger Communities Partnership would be responsible for overseeing the implementation of the Framework and monitoring its impact. The individual members of the Stronger Communities Partnership would lead on delivering the priority actions within the Framework and it was for Overview and Scrutiny to use its powers to monitor public organisations' adherence to the Framework.

The officers also replied to questions on the possible risks of transferring assets and on the consultation process.

Some members felt that LSPs can appear less open to the public. The Commission agreed that it would be helpful if the minutes of the Community and Voluntary Sector Forum could be made available, and Members notified.

RESOLVED:

- 1) That the Stronger Communities Partnership consider additional elected members to serve on the the Partnership in recognition of their roles as Community Champions.
- 2) That minutes of the Community and Voluntary Sector Forum meetings be made available to Members.
- 3) That subject to the above at 1) and 2), the final draft be endorsed.

51. DRAFT ICT STRATEGY 2008 - 2012

The Interim Director of Finance and Resources introduced the initial ICT Strategy 2008 – 2012 which was scheduled to be considered by Cabinet on 20 November.

He said a new Assistant Director, ICT to be appointed in November, would be bringing forward the final draft version.

The Interim Director and the Head of ICT replied to a number of queries:

- there have been moves to integrate ICT between services and this was being led by business/service needs
- in future there would be more flexibility in home- working and work patterns
- in the Councils' future moving towards on-line services, residents who were not IT-capable would be taken into account – so there will still be a variety of access options and information disseminated in other formats
- some IT systems are not compatible with partners,' particularly with health partners, but we are starting to bridge the gaps
- data sharing and legal situation, was a continuing issue

RESOLVED –

1) that the officers be asked to take into account the above comments in developing the strategy.

2) to note that the initial strategy will be revised together with a development plan by March 2009.

52. OVERVIEW AND SCRUTINY IN BRIGHTON AND HOVE; WORK PROGRAMME

The Overview and Scrutiny Commission noted

- 1) Progress in taking forward the Overview and Scrutiny Work Programme
- 2) The additional OSC meeting scheduled for 3 February 2009

3) The Scrutiny Panels that have been established

53. ITEMS TO GO FORWARD TO CABINET OR THE RELEVANT CABINET MEMBER MEETING

There were none.

54. ITEMS TO GO FORWARD TO COUNCIL

There were none.

The meeting concluded at 5pm

Signed

Chair

Dated this

day of

Subject: Budget Update for Budget Setting 2009/10
Date of Meeting: 2nd December 2008
Report of: Interim Director Finance & Resources
Contact Officer: Name: James Hengeveld Tel: 29-1242
E-mail: James.hengeveld@brighton-hove.gov.uk
Wards Affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 The Cabinet on the 12th February 2009 will recommend a revenue budget and council tax for 2009/10, a capital resources and capital investment programme and the Housing Revenue Account Budget to full council on 26th February 2009. Overview & Scrutiny Commission will have a chance to review budget proposals at its meeting on the 3rd February 2009. The purpose of this report is to provide the Overview & Scrutiny Commission with an update on the budget to give some background to the issues relating to budget setting in 2009/10.
- 1.2 The Council set out its Medium Term Financial Strategy (MTFS) as part of the Corporate Plan that was agreed at Council on 17th July 2008. This document identified the resources and spending plans for the Council for the period 2008/09 to 2010/11.
- 1.3 The 2009/10 budget is being formulated on the basis of the assumptions in the MTFS in particular the cash limits agreed for service areas, the level of government support and the increase in Council Tax. This report sets out the key assumptions and any changes that have an impact on budget setting for 2009/10.

2. RECOMMENDATIONS

- 2.1 The Overview & Scrutiny Commission note the budget assumptions in setting the Revenue Budget and Council Tax for 2009/10 and the changes that have affected budget projections.
- 2.2 The Overview & Scrutiny Commission note the budget reports that will be presented to Cabinet on 12th February 2009 will be presented to Overview & Scrutiny Commission on 3rd February 2009.

3. RELEVANT BACKGROUND INFORMATION

- 3.1 The 2009/10 budget setting process is set in the context of the council receiving a 3 year local government finance settlement for the period

2008/09 to 2010/11. This settlement covered formula grant, specific grants (including Area Based Grants) and support for the capital programme. Details of the settlement were given in a report to Policy & Resources Committee on the 17th January 2008. An announcement on the Local Government Finance Settlement for 2009/10 is being made on the 26th November 2008, if there are any changes from this announcement a verbal update will be given at the meeting.

- 3.2 The MTFS agreed at Council in July included the following high level financial information for 2009/10 revenue budget:-
- Target Council Tax increase of 3.5%
 - Formula Grant increase of 1.75%
 - Dedicated Schools Grant increase per pupil of 3.6%
 - Cash limit increases for service areas net of 3% efficiency savings
 - Transformation fund to support management capacity and learning & development in the delivery of Value for money.
 - £0.5m recurrent funding for risks

Changes in the budget projections

Pay Award

- 3.3 The 2008/09 budget was based on a pay award of 2.2% with a joint risk provision for pay awards and single status held in contingency against a higher award. The pay negotiations have still not been concluded however the latest employers offer was 2.45%. This increase is covered by the contingency and has been factored in to the 2009/10 budget. The pay award assumption for 2009/10 is 2.3% and any increase above this level would need to be met from the £0.5m risk provision in the 2009/10 budget.
- 3.4 The Single Status/Equal pay negotiations are still ongoing and the contingency funding, less the cost of the increased pay award, remain earmarked for this purpose.

Council Tax Base and Concessionary Fares

- 3.5 The collection fund is forecasting an in-year deficit of £1.7m, of which the council's share is £1.46m. As a result of the projected deficit it has been necessary to revise the tax base projections to reflect a lower number of properties, an increase in the number of student exemptions and property banding changes. The revised tax base projection for 2009/10 has been reduced by 1,223 to 92,360 and this has reduced the estimated revenue from council tax in 2009/10 by £1.5m. The final tax base figure to be used in the 2009/10 budget process will be reported to Cabinet on 15th January 2009.
- 3.6 There have been revised estimates for the concessionary fares budget for 2008/09 due to reduced reimbursement rates and trip numbers than was

previously assumed. This has resulted in a projected underspend of £1.8m in the current financial year.

- 3.7 It is anticipated that £1.67m of the concessionary fares budget underspend will be recurrent and therefore will off set the loss of resources through the reduction in the council tax base in 2009/10. Further details of the council tax base projections and the revised concessionary fares budget were included in the Targeted Budget Management month 4 Report presented to Cabinet on 18th September 2008.

Area Based Grants

- 3.8 The 3 year local government finance settlement included significant changes to the way certain grants were allocated to local authorities through a new area based grant and the ending of certain grants for Brighton & Hove. The council received Neighbourhood Renewal Funding (NRF) of £2.1m in 2007/08 however NRF was replaced in 2008/09 by the Working Neighbourhood Fund (WNF). The council did not qualify for permanent funding from the WNF and will instead receive transitional funding of £1.26m in 2008/09 and £0.5m in 2009/10. Funding for Stronger Safer Communities (SSC) has reduced from £0.5m in 2007/08 to £0.4m in 2008/09 and £0.26m in 2009/10.
- 3.9 The 2008/09 budget package included £0.2m one-off funding to support some of the reduction in NRF and SSC which means the total reduction in support for these areas is £1.1m from 2008/09 to 2009/10. Included in the MTFS is £0.25m recurrent funding to replace in part the loss of grant funding for the highest priority areas. Details of how directorates will manage the net reduction in these resources will be included in the budget report.

Housing & Planning Delivery Grant (HPDG)

- 3.10 HPDG replaced the Planning Delivery Grant from 2008/09 onwards and a new mechanism was introduced for awarding the grant. The council had anticipated a reduction in this grant however the loss was greater than expected and therefore the assumptions for 2009/10 have been amended. In 2007/08 the council received £0.425m in Planning Delivery Grant. The council has been awarded £0.126m HPDG in 2008/09 and it is now anticipated the council will receive a similar award in 2009/10.

Active for Life

- 3.11 The Active for Life grant comes to an end in 2008/09. The programme was supported through Sport England, the Primary Care Trust and the council and would require £0.18m per annum to continue its current programme. Managing the loss of this grant will be included in the budget proposals for 2009/10.

Local Public Service Agreements Round 2 (LPSA2)

- 3.12 The remaining schemes funded through the LPSA pump priming grant will come to an end in 2008/09. LPSA2 does generate reward grant over the next 2 years for the targets achieved by the council with partners, however the level of grant is uncertain. Plans to manage the loss of the pump priming grant and the use of any known reward grant will be included in budget proposals.

Financing Costs

- 3.13 The Treasury Management Policy Statement was presented to Cabinet on 20th November 2008. This report highlighted that our MTFs had assumed our investment income for 2009/10 would average 5%. The impact of the significant interest rate reductions will have a substantial effect on our investment returns. A number of measures are being taken to minimise this impact and the report recommended the surpluses generated on the financing costs budget in 2008/09 are earmarked to contribute towards possible future shortfalls in the investment interest budget.

Energy Costs

- 3.14 During 2008/09 the council has retendered 3 major energy contracts. A report on the electricity contract for sub100kw sites was presented to Policy & Resources Committee on 7th February 2008 and the contract was awarded for the period May 2008 to April 2010. This contract saw an increase in costs of 83% on average. A report on the council's contract for gas was presented to Cabinet on 10th July 2008; this contract was let for the period October 2008 to September 2010 and has seen an increase of 52%. A report to Environment and Community Safety Overview & Scrutiny Committee on the 10th November 2008 highlighted the increased electricity costs for street lighting. This contract has been let for one year and has seen an increase in cost of 57%. The overall impact of all these increased contract costs on 2009/10 will be included in the Budget Report.

Communal Bins

- 3.15 A report on the extension to the communal bins scheme was presented to cabinet on 18th September 2008. This report showed net savings of £0.97m over a 7 year period. Part of these savings will be included in the 2009/10 budget.

Investment in Car Parks

- 3.16 At its meeting of the 18th September 2008, Cabinet approved revised plans for the refurbishment of London Road and Lanes car parks. The total capital investment of £2.01m will be funded using £0.3m from the car parks maintenance reserve and £1.71m from borrowing. The financing costs will be met from additional on street parking income which is expected to

continue on a permanent basis. These changes will be reflected in the 2009/10 budget.

Waste Disposal

- 3.17 The Waste Disposal contract was based on certain assumption on waste arising in the city. It was originally assumed that there would be growth in our waste however the trend in recent years has been that waste has been declining. As a consequence there are savings through the contract for reduced waste and these will be reflected in the 2009/10 waste disposal budget.

Insurance Contract

- 3.18 A report on retendering the council's main insurance cover was presented to Policy & Resources in January 2008 and the contract was let in March, after the budget was set for 2008/09. The tendering exercise resulted in a saving of £0.686m and this was reported to Cabinet on 10th July 2008 as part of the Targeted Budget Management report. The 2009/10 budget will be adjusted to reflect the current insurance premia costs.

Targeted Budget Management (TBM) Month 6

- 3.19 The TBM 6 report was presented to Cabinet on 20th November 2008. This report highlighted the projected underspend in 2008/09 on council controlled budgets of £0.668m. This means that it is anticipated there will be no impact on the overall budget projections for 2009/10 from the 2008/09 budget outturn. As mentioned in paragraph [3.10] the surpluses generated from financing costs in 2008/09 will be earmarked for possible future shortfalls in investment income subject to the overall underspend in the current year.

Capital Receipts

- 3.20 The capital programme set out in the MTFS relies in part on the successful disposal of certain assets and Right to Buy receipts from the sale of council housing. During 2008/09 the number of Right to Buy sales has diminished significantly and the net receipts to the council is now estimated to reduce from £1m to approx £0.25m and will also impact on estimated receipts in 2009/10. The capital programme for 2009/10 will need to reflect the reduction in resources from this source. However it should be noted that only 8% of the capital programme was planned to be funded from capital receipts and a significant proportion has and will be achieved.

4. CONSULTATION

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

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The report sets out high level budget assumptions and budget changes that will need to be taken into account in setting the 2009/10 budget

Finance Officer Consulted: James Hengeveld

Date: 19th Nov 2008

Legal Implications:

- 5.2 There are no direct legal implication arising from this report. The actions recommended to the Committee in paragraph 2 are in accordance with the Committee's terms of reference, set out in Part 6.1, paragraph 2.1.3 of the Constitution.

Lawyer Consulted: Oliver Dixon

Date: 19th Nov 2008

Equalities Implications:

- 5.3 There are no direct equalities implications arising from this report

Sustainability Implications:

- 5.4 There are no direct sustainability implications arising from this report.

Crime & Disorder Implications:

- 5.5 There are no direct crime & disorder implications arising from this report

Risk and Opportunity Management Implications:

- 5.6 There are no direct Risk & opportunity management implications arising from this report

Corporate / Citywide Implications:

- 5.7 The councils financial position and projections impacts on the level of Council Tax and service levels and therefore has citywide implications.

SUPPORTING DOCUMENTATION

Background Documents

1. The Corporate Plan
2. Reports to Policy & Resources Committee
3. Reports to Cabinet
4. Report to Environment & Community Safety Overview & Scrutiny Committee

OVERVIEW AND SCRUTINY COMMISSION

Agenda Item 62
Brighton & Hove City Council

Subject:	Targeted Budget Management (TBM) Month 6		
Date of Meeting:	OSC 2 December 2008		
Report of:	Interim Director of Finance & Resources		
Contact Officer:	Name:	Nigel Manvell	Tel: 29-3104
	E-mail:	nigel.manvell@brighton-hove.gov.uk	
Key Decision:	Yes	Forward Plan No. CAB2884	
Wards Affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 This report sets out the forecast outturn position on the revenue and capital budgets as at the end of September 2008 (month 6). It is being presented to Cabinet on 20 November.
- 1.2 The council is delivering services within budget and has taken the appropriate measures to manage in-year pressures, including significant unavoidable pressures on the council tax collection fund and adult social care budgets. This reflects the council's effective monitoring and control of financial performance and the measures it has taken to ensure better use of public funds, including achieving ambitious efficiency savings of over £5 million and the implementation of council-wide value for money reviews.

2. RECOMMENDATIONS:

- (1) That the Cabinet note the forecast outturn for the General Fund, Section 75 Partnerships and Housing Revenue Account (HRA) for 2008/09 as at month 6.
- (2) That the Cabinet agree the release of £0.142 million from Local Authority Business Growth Incentive (LABGI) in respect of projects to support local employment and businesses to be determined by the Cabinet.
- (3) That the Cabinet note that the Primary Care Trust, as the Lead Commissioners of Mental Health Services, are continuing to work with Sussex Partnership Trust, as providers, to address current overspending, financial recovery plans, current Value for Money concerns in respect of the Dementia Care at Home service, and ensure ongoing funding issues and the potential shared financial risks to the council are resolved.
- (4) That the Cabinet note the forecast outturn position on the capital budgets as at month 6.
- (5) That the Cabinet approve the following changes to the capital programme:
 - (a) Budget reprofiles (Appendix 5)
 - (b) Budget variations (Appendix 6)
 - (c) New schemes (Appendix 7)

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The table below shows the forecast outturn position for council controlled budgets within the general fund, including directorates and centrally managed budgets and the outturn on NHS managed S75 Partnership Services.

The position at Month 6 shows that the council is managing within its available resources despite significant in-year pressures relating to the council tax collection fund and Adult Social Care placements. A number of directorate budgets are also under pressure but the forecast position has improved by £0.565 million since month 4, reflecting recovery actions taken to date. Overall, the position continues to be supported by improvements on Centrally Managed Budgets including savings on Insurance Contracts, lower than expected costs of the concessionary fares scheme, and good investment performance on the council's cash balances. More detailed explanation of the variances below can be found in Appendix 1.

Forecast Variance Month 4 £'000	Directorate	2008/09 Budget Month 6 £'000	Forecast Outturn Month 6 £'000	Forecast Variance Month 6 £'000	Forecast Variance Month 6 %
1,057	Adult Social Care & Housing	42,909	43,441	532	1.2%
163	S75 Learning Disability Services	22,738	22,903	165	0.7%
401	Children & Young People's Trust	52,581	52,613	32	0.1%
(99)	Finance & Resources	16,665	16,665	-	0.0%
	- Strategy & Governance	10,706	10,694	(12)	-0.1%
(2)	Environment	39,086	39,262	176	0.5%
107	Cultural Services	13,418	13,587	169	1.3%
1,627	Sub Total	198,103	199,165	1,062	0.5%
1,460	Collection Fund	-	1,460	1,460	0.0%
(2,682)	Centrally Managed Budgets	8,659	5,469	(3,190)	-36.8%
405	Total Council Controlled Budgets	206,762	206,094	(668)	-0.3%
313	NHS Trust managed S75 Services	13,481	14,125	644	4.8%
718	Total Overall Position	220,243	220,219	(24)	0.0%

- 3.2 The Total Council Controlled Budgets line in the above table represents the total current forecast in respect of the council's General Fund. This includes all directorate budgets, centrally managed budgets and council-managed Section 75 services. The NHS Trust-managed Section 75 Services line represents those services for which local NHS Trusts act as the Host Provider under Section 75 Agreements. Services are managed by Sussex Partnership Trust and South Downs Health Trust and include health and social care services for Adult Mental Health, Older People Mental Health, Substance Misuse, AIDS/HIV, Intermediate Care and Community Equipment. The financial risk for these services generally lies with the relevant provider Trust but where overspending is due to commissioning changes (e.g. increased demand) there may be a shared risk to the council as joint commissioner. The forecast outturn on the HRA is as follows:

Forecast Variance Month 4 £'000	2008/09 Budget Month 6 £'000	Forecast Outturn Month 6 £'000	Forecast Variance Month 6 £'000	Forecast Variance Month 6 %
Housing Revenue Account				
(186) Expenditure	46,941	46,867	(74)	-0.2%
186 Income	(46,691)	(46,957)	(266)	-0.6%
- Total	250	(90)	(340)	-136.0%

Corporate Critical Budgets

- 3.3 Targeted Budget Management (TBM) is based on the principles that effective financial monitoring of all budgets is important. However, there are a small number of budgets with the potential to have a material impact on the council's overall financial position. These are significant budgets where demand or activity is difficult to predict with certainty and where relatively small changes in demand can have significant financial implications for the council's budget strategy. These therefore undergo more frequent, timely and detailed analysis. Set out below is the forecast outturn position on the corporate critical budgets.

Forecast Variance Month 4 £'000	2008/09 Budget Month 6 £'000	Forecast Outturn Month 6 £'000	Forecast Variance Month 6 £'000	Forecast Variance Month 6 %
Corporate Critical				
35 Child Agency & In House	21,912	21,631	(281)	-1.3%
(43) Sustainable Transport	(556)	(396)	160	28.8%
(560) Housing Benefits	154,396	153,836	(560)	-0.4%
400 Land Charges Income	(957)	(357)	600	62.7%
(1,820) Concessionary Fares	9,158	7,338	(1,820)	-19.9%
931 Community Care	21,121	21,994	873	4.1%
163 Section 75 Learning Disabilities	21,703	21,868	165	0.8%
1,460 Collection Fund	-	1,460	1,460	0.0%
566 Total Council Controlled	226,777	227,374	597	0.3%
226 S75 NHS & Community Care	12,537	12,712	175	1.4%
792 Total Corporate Criticals	239,314	240,086	772	0.3%

- 3.4 The key activity data for each of the corporate critical budgets is detailed in Appendix 2. Note that the analysis in Appendix 2 will not always match exactly the outturn variances shown in the table above, due to a number of different elements that can affect the outturn. The Appendix is designed to highlight the key underlying activity data that is having the most significant effect on the forecast. Narrative explanations

regarding the projections are contained within the individual directorate forecasts contained in Appendix 1.

- 3.5 There has been a further allocation of LABGI funds relating to 2007/08 of £0.142 million. It is proposed to allocate these funds to measures in support of local businesses and employment opportunities. The projects will be determined by Cabinet.

Efficiency Savings

- 3.6 The Comprehensive Spending Review 2007 assumes that, nationally, local authorities will deliver 3% cash releasing gains year-on-year. Progress made by authorities will be reported via the new National Indicator NI 179 – ‘Value for Money: total net value of ongoing cash-releasing gains that have impacted since the start of the 2008/09 financial year’. The national requirement to produce 3% cash releasing gains is reflected in the Medium Term Financial Strategy approved by Cabinet in June. Appendix 3 to this report summarises the efficiency savings agreed as part of the 2008/09 budget process and current progress against their achievement. Variances to the agreed efficiencies are included in the directorate forecasts.

Pay Award

- 3.7 The employers’ representatives and unions on the National Joint Council have failed to reach an agreement on this year’s pay increases and it has now been agreed to go to arbitration on the decision. Given that the pay award is now overdue and the arbitration process is likely to take time, the two sides of the NJC have agreed that an increase of 2.45% as set out in the employers’ final offer will be paid to staff now. This will be backdated to 1 April 2008. The budget for 2008/09 included an allowance in service budgets of 2.2% for the pay award. However, in addition a provision of £1.7 million had been set aside in contingency as cover in case the pay award is higher than anticipated and to meet any additional pay costs arising from single status. The contingency is sufficient to cover the 2.45% pay award requiring £0.322 million use of contingency.

Impact on the Medium Term Financial Strategy (MTFS)

- 3.8 The MTFS assumes a breakeven outturn position for 2008/09 on general fund budgets, the current forecast is an underspend of £0.668 million. However, directorates still face significant financial challenges as directorate budgets are still forecasting an overspend in excess of £1 million after the implementation of the financial recovery plans agreed at September. If directorates cannot reduce the pressures going into 2009/10 they will need to be incorporated into service budget strategies and services will need to manage them within their cash limits. There is also a potential shared commissioning risk on NHS managed Section 75 partnership services.

- 3.9 The most significant in-year service pressure relates to physical disability services of £0.738 million, which is experiencing continued growth in client numbers. There are an additional 108 clients over the number budgeted for, with home care services experiencing an increase of 106 clients forecast to cost £0.693 million. The full year effects of the current recovery measures will go some way to helping the situation next year, however, containing the pressure within the cash limit budget will be a challenge which will need to be considered in detail as part of the 2009/10 budget proposals.
- 3.10 Further work is being undertaken on the projections of the taxbase for 2009/10 onwards but based on current information, the expected reduction in council tax resources available to the council in 2009/10 caused by the projected fall in the taxbase can be offset by the ongoing projected reduction in concessionary fares spending.

Capital Budget 2008/09

- 3.11 This part of the report gives Members details of the capital programme budget position for 2008/09.
- 3.12 On 28 February 2008, Budget Council considered a capital investment programme report for the financial year 2008/09 and agreed a capital investment programme of £54.799 million. Some of this expenditure related to schemes already live, while some schemes have been approved in detail since that meeting and others are yet to have detailed reports presented to Members for approval.
- 3.13 The following table shows the currently approved capital budget.

	2008/09
Capital Budget 2008/09	Budget
	£'000
Slippage brought forward from 2007/08 (approved 12 June 2008)	1,407
Capital Investment Programme (approved at Budget Council)	54,799
Changes to the Capital Budget since approved	(1,200)
Total Capital Budget 2008-09 as at month 6	55,006

- 3.14 Where schemes are forecast to exceed their budget, budget holders must identify additional resources to finance the shortfall. Forecast overspends of greater than £0.050 million or 10% of the original budget are required to be reported back to Members, either in detailed reports or through this capital monitoring report. Scheme delays or 'slippage' are also monitored in an effort to ensure schemes are delivered not only on budget, but also on time. Where a scheme is forecast to slip by £0.050 million or more, the budget holder will report back to Members on the amount and the impact of the delay on service delivery.

Capital Forecast Outturn

- 3.15 A summary of the forecast capital outturn can be found in Appendix 4. A number of changes are proposed to the capital programme as follows: three budget reprofile requests are proposed and summarised in Appendix 5; variation requests to the capital budgets are contained in Appendix 6 and; new capital schemes recommended for approval are listed in Appendix 7. A summary of the proposed changes are shown in the table below.

Directorate	2008/09 Budget £'000	New Schemes £'000	Budget Variations £'000	Reprofile Budget £'000	Amended Budget £'000	Forecast Outturn £'000
Cultural Services	1,605	112			1,717	1,717
Strategy & Governance	910				910	910
Finance & Resources	7,177	(30)		(45)	7,102	7,102
Adult Social Care & Housing	4,216	2,976		(100)	7,092	7,092
Housing Revenue Account (HRA)	17,089	100		(3,023)	14,166	14,166
Children & Young Peoples' Trust	10,588	(21)		(1,680)	8,887	8,887
Environment	13,421	363	280		14,064	14,064
Total	55,006	3,500	280	(4,848)	53,938	53,938

- 3.16 The proposed budget changes would leave the capital budget fully funded.

Capital Slippage

- 3.17 At this stage in the year no slippage is anticipated by programme managers as budgets have been reprofiled to take into account expected spend in year.

Prudential indicator for capital expenditure

- 3.18 Each year, the council sets a number of prudential indicators that show its capital investment plans are affordable and that borrowing levels are sustainable and prudent. For 2008/09, these were set by the council on 28 February 2008. One of these indicators is 'capital expenditure' and in February the council set this at £54.799 million for 2008/09. This indicator helps us to demonstrate that our capital expenditure plans are affordable.
- 3.19 The Capital Investment Programme report, also approved in February, demonstrated how it was fully funded and affordable. The revenue effects of this programme were fully considered as part of the revenue budget setting process. This report advises Members that the latest forecast of capital expenditure is not expected to exceed the capital expenditure indicator

Capital Receipts

- 3.20 Capital receipts are used to support the capital programme. For 2008/09 the programme is fully funded and does not rely upon certain capital receipts being generated. However, any changes to the level of receipts during the year will impact on future years' capital programmes. Capital receipts (excluding housing) were estimated to be £2.6 million. Currently, £1.7 million has been received including the final balance on Royal York Building, the sale of 12 St. Georges Place and the sale of 24 Windlesham Road. This leaves £0.9 million of receipts to be achieved during the rest of the financial year. Assets are actively being marketed to achieve the level of receipts budgeted for.
- 3.21 The level of sales of council homes through right to buy has been severely affected by the current market conditions in house prices generally and the higher cost and availability of mortgages in the current economic climate. Current regulations mean that the Government receive 75% of the proceeds of right to buy sales; whilst the remaining 25% is available to support the council's capital programme. Budget Council previously agreed that the first £0.5m receipts from RTB sales would be used to finance support for major projects with the remainder being available to support investment in housing. The estimated useable receipts were £1 million for this financial year, however, on current projections this is now forecast to reduce to between £0.25 million and £0.40 million. The reduction in receipts may impact on the level of investment in future years for corporate funds such as the Strategic Investment Fund, Asset Management Fund and/or ICT Fund. If there are no other compensating receipts generated and the current trend for right to buy sales continues the capital strategy will need to be reviewed as a consequence.

Comments by the Director of Finance & Resources

- 3.22 The forecast outturn position on the revenue budget shows a significant improvement since month 4, however, despite the implementation of financial recovery plans directorate budgets are still forecasting an overspend in excess of £1 million. Additional measures need to be taken by overspending directorates to achieve a break even position as described in Appendix 1.
- 3.23 Discussions are ongoing between commissioners and provider NHS Trusts to ensure that effective financial recovery plans are in place within NHS-managed S75 partnership services for the year.

4. CONSULTATION

- 4.1 No specific consultation was undertaken in relation to this report.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

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

Legal Implications:

- 5.2 In reaching its decisions in relation to its budget, the Council needs to have regard to a number of general points. It must provide the services, which, statutorily, it is obliged to provide. Where there is power to provide services, rather than a duty, it has a discretion to provide such services. It must observe its other legal duties, such as the duty to achieve best value and comply with the Human Rights Act 1998. It must act in accordance with its general fiduciary duties to its Council Tax payers to act with financial prudence. Finally, it must bear in mind the reserve powers of the Secretary of State under the Local Government Act 1999 to limit Council Tax & precepts.

Lawyer consulted: Oliver Dixon

Date: 5 November 2008

Equalities Implications:

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

Sustainability Implications:

- 5.4 There are no direct sustainability implications arising from this report.

Crime & Disorder Implications:

- 5.5 There are no direct crime & disorder implications arising from this report

Risk & Opportunity Management Implications:

- 5.6 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 working balance of £9 million to mitigate these risks as recommended by the Audit Commission and Chartered Institute of Public Finance & Accountancy (CIPFA). The council also maintains other general and earmarked reserves and contingencies to cover specific project or contractual risks and commitments.

Corporate / Citywide Implications:

- 5.7 The Council's financial position impacts on levels of Council Tax and service levels and therefore has citywide implications.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 The forecast outturn position on council controlled budgets is an underspend of £0.668 million, any underspend will be added to unallocated general reserves unless approval is given to allocate funds to specific reserves or contingencies.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 Budget monitoring is a key element of good financial management, which is necessary in order for the council to maintain financial stability and operate effectively.
- 7.2 The capital budget changes are necessary to maintain effective financial management.

SUPPORTING DOCUMENTATION

Appendices:

1. Directorate Revenue Outturn Forecasts
2. Corporate Critical Budgets Activity Data
3. Progress Against the Achievement of the 2008/09 Efficiency Savings
4. Capital Outturn Summary
5. Proposed Capital Budget Reprofile Requests
6. Proposed Capital Budget Variations
7. New Capital Scheme Requests

Documents in Members' Rooms

1. None.

Background Documents

1. None.

Adult Social Care & Housing

Forecast Variance Division Month 4 £'000	2008/09 Budget Month 6 £'000	Forecast Outturn Month 6 £'000	Forecast Variance Month 6 £'000	Forecast Variance Month 6 %
- Housing Strategy	4,806	4,806	-	0.0%
1,057 Adult Social Care	38,103	38,635	532	1.4%
1,057 Total	42,909	43,441	532	1.2%

Explanation of Key Variances

Adult Social Care is forecasting an overspend of £0.532 million, an improvement of £0.525 million since month 4 mainly as a result of actions contained within the financial recovery plan reported as part of TBM 4. The corporate critical community care budget is forecasting an overspend of £0.873 million, an improvement on month 4. Significant demand increases are still being experienced across Older People and Physical Disability Services.

Older People Services are forecasting an overspend of £0.135 million, due to 106 additional clients. The average unit cost has improved due to a shift in the balance of clients from long term nursing and residential care to home care.

The Physical Disability Services forecast overspend is £0.738 million. In total there are an additional 108 clients over the number budgeted for, with home care services experiencing an increase in clients 39% above the budgeted level. This has been partly offset by a reduction in the average unit cost, which is on average £26 per week per client lower than budgeted.

The overspend on the corporate critical budgets is partly offset by £0.200 million of grant funding being used on Older People – Mainstream Services. A saving is also forecast on Service Strategy & Regulation of £0.201 million, due in the main to a reduction in the forecast spend on jointly funded staff.

Close monitoring of placement budgets will continue and further potential savings and/or alternative use of external funding are being explored to continue to improve the budget position.

Children & Young People's Trust

Forecast Variance	Division	2008/09 Budget Month 6 £'000	Forecast Outturn Month 6 £'000	Forecast Variance Month 6 £'000	Forecast Variance Month 6 %
	501 East, Early Years & NHS Comm Servs	10,431	10,899	468	4.5%
	225 Central Area & School Support	(8,283)	(7,932)	351	4.2%
	- Learning & Schools	9,161	9,161	-	0.0%
	(73) West Area & Youth Support	8,880	8,725	(155)	-1.7%
	(252) Specialist Services	31,248	30,688	(560)	-1.8%
	- Quality & Performance	1,144	1,124	(20)	-1.7%
	- Vacancy Management	-	(52)	(52)	0.0%
	401 Total	52,581	52,613	32	0.1%

Explanation of Key Variances

The corporate critical budget of Child Agency Placements and In House Placements is forecasting an underspend of £0.281 million. The main variances are due to an overspend on Leaving Care Accommodation ¹ of £0.244 million being offset by underspends on Residential Agency placements² of £0.379 million and In-house placements³ of £0.358 million.

The underspend on the corporate critical budget is offset by overspends across the directorate, the main ones being; preventative payments to homeless families of £0.195 million and home to school transport of £0.080 million.

A small forecast overspend remains which the directorate will continue to keep under review and identify further opportunities for achieving financial balance. However, there are notable risks to the current forecast and a small number of new placements can have significant impacts on the forecast.

¹ Forecast FTE placements of 39 against a budget of 25 and a weekly unit cost £67 below budget

² Forecast FTE placements of 38 which is 3 less than budgeted for and a weekly unit cost £19 below budget

³ Forecast FTE placements 6 above the budgeted level but the weekly unit cost is £25 below

Finance & Resources

Forecast Variance Division Month 4 £'000	2008/09 Budget Month 6 £'000	Forecast Outturn Month 6 £'000	Forecast Variance Month 6 £'000	Forecast Variance Month 6 %
(8) Finance	6,055	5,989	(66)	-1.1%
- ICT	5,428	5,407	(21)	-0.4%
(99) Customer Services	3,403	3,482	79	2.3%
8 Property & Design	1,779	1,787	8	0.4%
(99) Total	16,665	16,665	-	0.0%

Explanation of Key Variances

Finance is forecasting an underspend of £0.066 million due to vacancy management savings.

Customer Services is forecasting an overspend of £0.079 million as follows:

- The corporate critical housing benefits budget is forecasting an underspend of £0.560 million due to local authority errors being contained below the lower threshold which generates additional subsidy and increased overpayment recovery on non council housing rent rebates.
- The Land Charges income budget is also a corporate critical budget and is forecasting a £0.600 million shortfall, which is an increase of £0.200 million since month 4. The continuing downturn in the housing market is reducing the overall number of searches undertaken and there is also a continuing increase in the proportion of searches being undertaken as personal searches for which the council receives a much lower fee. This situation will need to be considered in respect of the impact on the 2009/10 budget.

Strategy & Governance

Forecast Variance Division Month 4 £'000	2008/09 Budget Month 6 £'000	Forecast Outturn Month 6 £'000	Forecast Variance Month 6 £'000	Forecast Variance Month 6 %
- Improvement & Organ Devel	1,662	1,662	-	0.0%
- Legal & Democratic Services	3,609	3,607	(2)	-0.1%
- Policy Unit	840	840	-	0.0%
- Human Resources	3,614	3,608	(6)	-0.2%
- Executive Office	394	392	(2)	-0.5%
- Communications	587	585	(2)	-0.3%
- Total	10,706	10,694	(12)	-0.1%

Explanation of Key Variances

The directorate is funding all in year service pressures through efficiency savings.

Environment

Forecast Variance Month 4	2008/09 Budget Month 6	Forecast Outturn Month 6	Forecast Variance Month 6	Forecast Variance Month 6
£'000	£'000	£'000	£'000	%
(200) City Services	30,134	29,934	(200)	-0.7%
80 Sport & Leisure	1,662	1,760	98	5.9%
(43) Sustainable Transport	(556)	(396)	160	28.8%
3 Public Safety	5,758	5,718	(40)	-0.7%
158 City Planning	2,088	2,246	158	7.6%
(2) Total	39,086	39,262	176	0.5%

Explanation of Key Variances

City Services is forecasting an underspend of £0.200 million due to a reduction in vehicle costs and a part year saving on the Park Ranger posts that have recently been recruited.

Sport & Leisure Services are forecasting an overspend due to income shortfalls on Golf Courses and King Alfred, and utility costs pressure at the King Alfred Leisure Centre - partly offset by vacancy management savings.

The total forecast for Sustainable Transport is an overspend of £0.160 million, a deterioration of £0.203 million since month 4 made up as follows:

- Penalty charge income is forecast to be £0.285 million below budget. The shortfall is due in the main to the average income per penalty being below that assumed. The changes introduced by the Traffic Management Act made it very difficult to accurately predict what the average figure would be due to the tiered structured of the penalties. This is partly offset by a reduction in the bad debt provision.
- Income from all on-street and off-street parking and permit income is forecast to exceed budget by £0.226 million.
- Other expenditure is forecast to exceed budget by £0.211 million. The main variance is an overspend on energy costs of £0.188 million following the contract relet for street lighting and traffic signals.

The main movement since month 4 is due to the energy contract relet, which has taken place in the recent weeks.

City Planning is forecasting an overspend due to loss of Planning Delivery Grant. The settlement was confirmed in August and is £0.250 million lower than expected. Measures have been taken to contain the pressure to £0.125 million in the current year.

Development Control is also forecasting an overspend of £0.033 million.

The directorate will continue to apply financial management processes (e.g. vacancy management) to ensure that spending is tightly controlled and can contribute to achieving financial balance.

Cultural Services

Forecast Variance Division Month 4 £'000	2008/09 Budget Month 6 £'000	Forecast Outturn Month 6 £'000	Forecast Variance Month 6 £'000	Forecast Variance Month 6 %
(13) City Marketing	1,833	1,824	(9)	-0.5%
41 Libraries	4,074	4,115	41	1.0%
71 Museums	2,174	2,320	146	6.7%
- Arts & Creative Industries	1,615	1,615	-	0.0%
8 Economic Devlpmnt & Regen	3,547	3,538	(9)	-0.3%
- Major Projects & Venues	175	175	-	0.0%
107 Total	13,418	13,587	169	1.3%

Explanation of Key Variances

The forecast overspend in the Museums Service relates to a shortfall against income targets on admissions, retail and functions and an overspend on energy costs. The overspend is being partly offset by vacancy management and other savings. These measures will continue to be applied for the remainder of the year to attempt to offset cost pressures.

Centrally Managed Budgets

Forecast Variance Division Month 4 £'000	2008/09 Budget Month 6 £'000	Forecast Outturn Month 6 £'000	Forecast Variance Month 6 £'000	Forecast Variance Month 6 %
(302) Bulk Insurance Premia	2,481	2,131	(350)	-14.1%
(1,820) Concessionary Fares	9,158	7,338	(1,820)	-19.9%
(560) Capital Financing Costs	7,929	7,129	(800)	-10.1%
- Levies & Precepts	192	192	-	0.0%
- Other Corporate Items	(11,101)	(11,321)	(220)	2.0%
(2,682) Total	8,659	5,469	(3,190)	-36.8%

Explanation of Key Variances

The bulk insurance premia underspend is due in the main to a saving on the renewal of the insurance contract. The underspend has improved since month 4 as there have been fewer insurance claim payments made than anticipated during the summer.

The concessionary fares underspend is due to a successful legal challenge against the reimbursement rate originally set by the Department for Transport and a lower than expected rise in the number of concessionary fare trips.

The Capital Financing Costs projection is an underspend of £0.800 million, an increase of £0.240 million on the reported figure at month 4. The main reason for the improved underspend is higher investment income driven by higher cash flow balances and interest rates not falling as quickly as projected.

Other Corporate Items are forecast to underspend by £0.220 million. This is a combination of a one-off contingency for energy costs in 2008-09 and recurrent funding set aside for the closure of Carlton Hill car park as part of the Circus Street development which will also not be required in this financial year.

Section 75 Partnerships

Forecast Variance	Division	2008/09 Budget Month 6 £'000	Forecast Outturn Month 6 £'000	Forecast Variance Month 6 £'000	Forecast Variance Month 6 %
	163 Council managed S75 Servs	22,738	22,903	165	0.7%
	313 NHS Trust managed S75 Servs	13,481	14,125	644	4.8%
	476 Total S75	36,219	37,028	809	2.2%

Explanation of Key Variances

Council managed S75 services (Learning Disability Services) are forecasting an overspend of £0.165 million. There is a pressure of £0.064 million on the community care budget and £0.101 million on in-house services due to staffing pressures and income shortfall on housing benefit/supporting people. Opportunities for further savings with the financial recovery plan continue to be explored together with continuing reviews, with the PCT, of sources of funding for placements.

NHS Trust managed S75 Services are forecasting an overspend of £0.644 million, due to two areas:

- Sussex Partnership Trust (SPT) – Mental Health & Substance Misuse are forecasting an overspend of £0.620 million, an increase of £0.462 million since month 4. The PCT have advised that all of the SPT 2007/08 carry forward of £0.799 million is required to pump prime health initiatives including the Access to Psychological Therapies health initiative. SPT is developing a financial recovery plan but much of this is not yet costed and only limited amounts (£0.066 million) is currently assessed as achievable in this financial year. The other main pressures are within Adult Mental Health due to increased demand and high cost placements within Nursing Care. In the light of the risk share agreement not having been finalised this leaves the Council with a potential shared financial risk. Urgent discussions with PCT commissioning and finance colleagues and SPT are being held over the next week to seek a resolution to the current and future financial positions.
- Sussex Downs Health Trust – HIV/AIDS, Intermediate Care and the Integrated Community Equipment Store (ICES) are forecasting an overspend of £0.024 million. The improved position is largely due to reduced commitment on equipment and staff savings within ICES due to improved management controls (e.g. equipment requisitions).

Housing Revenue Account (HRA)

Forecast Variance Month 4 £'000	2008/09 Budget Month 6 £'000	Forecast Outturn Month 6 £'000	Forecast Variance Month 6 £'000	Forecast Variance Month 6 %
Housing Revenue Account				
(223) Employees	9,023	8,644	(379)	-4.2%
86 Premises – Repair	10,834	10,941	107	1.0%
10 Premises – Other	2,782	2,946	164	5.9%
(68) Transport & Supplies	2,182	2,097	(85)	-3.9%
- Support Services	2,300	2,319	19	0.8%
- Revenue contribution to capital	3,385	3,465	80	2.4%
(17) Capital Financing Costs	4,941	4,908	(33)	-0.7%
26 Subsidy Payable	11,494	11,547	53	0.5%
(186) Net Expenditure	46,941	46,867	(74)	-0.2%
(25) Dwelling Rents (net)	(40,478)	(40,561)	(83)	-0.2%
26 Other rent	(1,209)	(1,211)	(2)	-0.2%
127 Service Charges	(3,292)	(3,533)	(241)	-7.3%
5 Supporting People	(550)	(559)	(9)	-1.6%
53 Other recharges & interest	(1,162)	(1,093)	69	5.9%
186 Net Income	(46,691)	(46,957)	(266)	-0.6%
- Total	250	(90)	(340)	-136.0%

Explanation of Key Variances

The budget has now been increased by £0.250 million to reflect the net increase in the energy costs following the renewal of these contracts. This increase will be funded from useable general reserves as noted in the 2008/09 HRA Budget report approved by Council on 28th February 2008.

The forecast spend has decreased compared to the month 4 forecast and is now projected to underspend by £0.340 million by year end.

The main variances are:

- Salary costs showing a net underspend of £0.379 million from vacancy management of which £0.060 million is from the single status provision.
- Empty property repair costs £0.200 million overspend due to an increase in the average cost of repair per property from £2,300 to £2,600 for the first four months of the year. An action plan is being developed and will be implemented to achieve a reduction to £2,300 per property. The empty property overspend is partially

offset by service contract underspends of £0.162 million due to continuing with the existing contracts, which have a lower specification than the new contracts that had been budgeted for. (New contracts to be let for 2009/10)

- The corporate gas contract shown in other premises costs are expected to increase by £0.140 million however the majority of these costs will be passed to tenants through the heating service charges. A budget virement will be actioned to realign both income and expenditure budgets for month 7.

The income budget for Service charges to leaseholders is projected to overachieve by £0.240 million. Underachieved income on Major works recharges to leaseholders £0.126 million due to completion of contracts in time for this years billing to leaseholders being less than anticipated when setting the original income budget. This has been offset by higher than anticipated charges to lease holder service charges and an increase in income from the gas heating service charge.

KEY ACTIVITY DATA SUPPORTING CORPORATE CRITICAL BUDGET FORECASTS

	Activity Indicator	Unit Cost Indicator	BUDGET			FORECAST			VARIANCE			
			Activity	Unit Cost/Income £	Budget £	Activity	Unit Cost/Income £	Actual £	Activity	Unit Cost/Income £	Variance to Budget £	
Child Agency & In-house Placements												
Disability Agency	Number of children	Cost per week	8.0	1,822	757,900	7.9	2,153.7	882,100	(0.2)	332	124,200	
Disability Respite	Number of children	Cost per week	n/a	n/a	138,000	n/a	n/a	128,500	na	na	(9,500)	
Independent Foster Agency (IFA)	Number of children	Cost per week	94.0	890	4,350,600	93.3	884.9	4,305,800	(0.7)	(5)	(44,800)	
Residential Agency	Number of children	Cost per week	41.0	2,414	5,145,700	38.2	2,394.5	4,766,400	(2.8)	(19)	(379,300)	
Secure Accommodation	Number of children	Cost per week	1.5	5,154	402,000	2.2	4,186.3	481,100	0.7	(968)	79,100	
In-House Placements	Number of children	Cost per week	352.0	305	5,584,600	357.7	280.2	5,226,600	5.7	(25)	(358,000)	
Leaving Care Accommodation	Number of children	Cost per week	25.0	509	661,900	39.2	442.6	905,400	14.2	(67)	243,500	
Leaving Care Ex Asylum Seekers	Number of children	Cost per week	n/a	n/a	108,800	28.2	117.4	172,500	na	na	63,700	
Educational Agency (DSG budget)	Number of children	Cost per week	130.0	701	4,736,900	129.0	678.7	4,565,534	(1.0)	(22)	(171,366)	
											(452,466)	
Sustainable Transport												
PCN effect of Traffic Management Act	Number of PCNs issued	Average receipt per offence	127,145	(40)	(5,085,800)	131,849	(36)	(4,800,275)	4,704	4	285,525	
Land Charges Income												
	Local Authority Searches	Income per search	7,870	(115)	(905,050)	2,770	(115)	(318,550)	(5,100)	0	586,500	
	Personal Searches	Income per search	4,500	(11)	(49,500)	3,500	(11)	(38,500)	(1,000)	0	11,000	
											597,500	
Concessionary Fares												
	Number of journeys	Total cost divided by number of journeys	11,000,000	0.98	10,780,000	10,642,857	0.84	8,960,221	(357,143)	-0.14	(1,819,779)	
Collection Fund												
	Band D Equivalents	No of Band D Equivalents	95,255	(1,190)	(113,388,039)	94,029	(1,190)	(111,927,765)	(1,227)	0.00	1,460,274	
Community Care												
NHSc Older People	No. WTE Clients	Cost per week	1,671	200	17,438,000	1,777	190	17,618,000	106	(10)	180,000	
NHSc Physical Disabilities	No. WTE Clients	Cost per week	367	245	4,682,000	475	219	5,408,000	108	(26)	726,000	
NHSc No Recourse to Public Funds (AMH)	No. WTE Clients	Cost per week	72	128	477,000	92	121	577,000	20	(7)	100,000	
											1,006,000	
Section 75 Learning Disabilities												
S75 NHSc Learning Disabilities	No. WTE Clients	Cost per week	595	627	19,442,000	649	576	19,505,000	54	(51)	63,000	
S75 NHS & Community Care Act												
S75 NHSc Adult Mental Health	No. WTE Clients	Cost per week	183	295	2,814,000	273	231	3,281,000	89	(64)	467,000	
S75 NHSc Older People Mental Health	No. WTE Clients	Cost per week	563	264	7,762,000	547	255	7,277,000	(16)	(9)	(485,000)	
S75 NHSc Substance Misuse	No. WTE Clients	Cost per week	4	471	101,000	9	471	222,000	5	0	121,000	
S75 NHSc HIV	No. WTE Clients	Cost per week	26	151	208,000	36	126	233,000	9	(26)	25,000	
S75 ICES	Equipment & Adaptations	Various rates for different type of equipment	-	-	653,560	-	-	700,260	0	-	46,700	
											174,700	

PROGRESS AGAINST THE ACHIEVEMENT OF THE 2008/09 EFFICIENCY SAVINGS

	Budget £'000	Forecast £'000	Variance £'000	Explanation
Adult Social Care & Housing				
Adult Social Care	(1,378)	(1,359)		19 Additional savings from Vernon Gardens offsetting current shortfall anticipated on homecare/daycare savings and brought-forward service pressure
Housing Strategy	(214)	(214)	0	
Sub-Total	(1,592)	(1,573)	19	
CYPT				
East Area, Early Years and NHS comm	(32)	(32)	0	
Central Area and Schools Support	(202)	(202)	0	
Learning & Schools	(71)	(71)	0	
West Area and Youth Support	(2)	(2)	0	
Specialist Services	(164)	(164)	0	
Quality & Performance	(30)	(30)	0	
Sub-Total	(501)	(501)	0	
Finance & Resources				
Finance	(175)	(175)	0	
ICT	(150)	(150)	0	
Customer Services	(460)	(460)	0	
Property & Design	(90)	(65)		25 Delay in the sale of Windlesham Road, a key part of the accommodation rationalisation, has meant the move of staff from Edward House to the refurbished 3rd floor of Kings House has also been delayed. The full year saving will be realised in future years.
Sub-Total	(875)	(850)	25	
Strategy & Governance				
Director	(40)	(40)	0	
Improvement & Organ Devel	(38)	(38)	0	
Legal & Democratic Services	(56)	(56)	0	
Policy Unit	(25)	(25)	0	
Human Resources	(55)	(55)	0	
Sub-Total	(214)	(214)	0	
Environment				
City Services	(400)	(400)	0	
Leisure	(20)	(20)	0	
Sustainable Transport	(475)	(352)		123 The 5 ex-leased car parks were not brought back in house until September 2008.
Public Safety	(30)	(30)	0	
City Planning	(10)	(10)	0	
Sub-Total	(935)	(812)	123	
Cultural Services				
City Marketing	(25)	(25)	0	
Libraries & Information services	(70)	(70)	0	
Royal Pavilion & Museums	(47)	(32)		15 Unachievable energy savings due to increase in gas and electricity contract charges
Arts & Creative Industries	(26)	(26)	0	
Economic Development & Regeneration	(73)	(73)	0	
Major Projects and Venues	(75)	(20)		55 Unachievable energy savings due to increase in gas contract charges
Sub-Total	(316)	(246)	70	

PROGRESS AGAINST THE ACHIEVEMENT OF THE 2008/09 EFFICIENCY SAVINGS

	Budget £'000	Forecast £'000	Variance £'000	Explanation
Section 75 : Learning Disabilities				
Council Lead Learning Disabilities	(641)	(606)	35	Additional staffing resources to achieve specific FRP targets
Sub-Total	(641)	(606)	35	
Health Led Section 75 arrangements				
SPT				
Older People Mental Health	(176)	(176)	0	Significant pressure this year relates to 07/08 carry forward treatment
Adult Mental Health	(206)	(206)	0	Significant pressure this year relates to 07/08 carry forward treatment
Substance Misuse	(10)	0	10	Pressure across service
SDHT				
Intermediate Care	(53)	(24)	29	Balance of efficiency savings taken from HIV/AIDS
ICES	(14)	0	14	No efficiency savings taken
HIV/AIDS	(7)	(24)	(17)	Overachievement but pressure on Asylum Seekers
Sub-Total	(466)	(430)	36	
Total	(5,540)	(5,232)	308	
Housing Revenue Account				
Employees	(308)	(308)	0	
Supplies & Services	(93)	(93)	0	
Repairs -Responsive/Empty Properties contract.	(1,450)	(1,250)	200	£300 Increase to empty property costs
Repairs - Gas Servicing Contract	(417)	(417)	0	
Ground Maintenance	(61)	(61)	0	
Reduction in Staff Accommodation charge	(40)	(40)	0	
Increase in Garage and Car Park Income	(40)	(40)	0	
Reduction in transitional protection from Supporting People charges	(40)	(40)	0	
Total	(2,449)	(2,249)	200	

CAPITAL OUTTURN SUMMARY

Variance month 4 £(000)'s	Directorate	Original Programme £(000)'s	Carried Forward £(000)'s	Changes to programme £(000)'s	Budget TBM6 £(000)'s	TBM6 Variations to this Cabinet £(000)'s	Revised Total Budget £(000)'s	Forecast £(000)'s	Variance month 6 £(000)'s	Forecast Variance %
0	Strategy & Governance	910			910		910	910	0	0.0%
0	CYPT	10,403	165	20	10,588	(1,701)	8,887	8,887	0	0.0%
0	Cultural Services	1,060	100	445	1,605	112	1,717	1,717	0	0.0%
0	Environment	11,632	236	1,553	13,421	643	14,064	14,064	0	0.0%
0	Finance & Resources	6,609	309	259	7,177	(75)	7,102	7,102	0	0.0%
0	Adult Social Care & Housing	5,820	271	(1,875)	4,216	2,876	7,092	7,092	0	0.0%
0	HRA	18,365	326	(1,602)	17,089	(2,923)	14,166	14,166	0	0.0%
0	Total	54,799	1,407	(1,200)	55,006	(1,068)	53,938	53,938	0	0.0%

Notes

53 The Original Budget included Corporate Items to be allocated of £1,750,000 which is shown in table 1 within Finance & Resources.

The TBM6 Variations to this cabinet includes all the appendices attached to this report but not any capital schemes elsewhere on the agenda. Some new schemes are part funded by capital monies already in the capital programme.

CAPITAL BUDGET REPROFILE REQUESTS

Department:	Finance & Resources		
Project Name:	Corporate Accommodation & Energy Efficiencies		
Current budget:	£ 90,670	Proposed revised budget:	£45,670
Total budget change:	£ (45,000)		

The installation of energy efficiency measures as part of a project at Balfour Junior School has been delayed. The main construction project, a CYPT scheme funded from DCSF 'Primary Capital Programme' grant, has been put back a month, resulting in the ground source heat pump being installed in April rather than March 2009.

Department:	Housing (HRA)		
Project Name:	Leach Court Heating		
Current budget:	£ 400,000	Proposed revised budget:	£100,000
Total budget change:	£ (300,000)		

Due to insurmountable technical difficulties in providing joint CHP (Combined Heat and Power) heating to both Leach Court and the new extra care facility in the new Patching Lodge, Hanover have decided to provide their own independent heating source.

Officers are concerned that the current design and price for renewal of the heating system within Leach Court does not provide value for money and are seeking redesign and alternative prices. Due to the delay introduced by the redesign, implementation of the work is now likely to occur during adverse weather conditions and officers advise reprofiling of the project so that works likely to affect the heating service will not be carried out during the winter when heating is required.

Department:	Housing (HRA)		
Project Name:	Somerset & Wiltshire Structural Works		
Current budget:	£2,120,000	Proposed revised budget:	£393,300
Total budget change:	£(1,726,700)		

This scheme is for external envelope repairs to Somerset and Wiltshire High Rise blocks to maintain the exterior of the building. A Technical Survey has now been undertaken which has recommended providing overcladding in addition to simply repairing and waterproofing. Overcladding would significantly enhance the life of the structural integrity and waterproofing of the building. This improvement would also provide extra insulation which would ultimately benefit residents through reduced future heating costs.

Overcladding the block requires planning permission, which will therefore delay the project and the majority of the works will be in 2009/10. Tenders are currently being sought for this project. The current budget does not allow for overcladding so any additional funding required will be reported for approval as soon as this is identified.

Department:	Housing (HRA)		
Project Name:	Redecorations & Repairs		
Current budget:	£2,663,000	Proposed revised budget:	£1,800,000
Total budget change:	£(863,000)		

The two year programme for Cyclical Decorations and Repairs was approved on 3rd April 2008 with £2.5 million allocated to each year. This allocation was based on the assumption that an equal value of works would be programmed to each year.

The contract was awarded during 2008/09. The actual programme of works is now agreed and in progress, and the budget is being realigned to reflect the programme timetable provided by the contractor.

Department:	Housing (HRA)		
Project Name:	Estate Development		
Current budget:	£673,190	Proposed revised budget:	£540,000
Total budget change:	£(133,190)		

The Estate Development Budget is made up of a large number of projects that have been selected and approved by Area Panels. These projects are all at various stages in their project lifecycles including feasibility, awarding of contracts, projects being on site and completion.

Circumstances outside of the control of Housing Management is causing a delay in progressing some of the larger projects, such as issues surrounding raising additional funds from elsewhere to fund projects. Additionally, in some instances, there is a necessity to revisit bid proposals as a result of feasibility studies.

A forecast of spend in 2008/09 has been produced on a prudent basis taking these issues into account.

Department:	CYPT		
Project Name:	Children's Centre		
Current budget:	£300,000	Proposed revised budget:	£216,000
Total budget change:	£(84,000)		

The budget is being reprofiled to 2009/10 because some of the work can be funded from the Children's Centre carry forward from 2007/08. This funding is part of a £1.8 million three year programme for Children's Centres for 2008/2011.

Department:	CYPT		
Project Name:	Early Years Capital		
Current budget:	£1,062,300	Proposed revised budget:	£375,000
Total budget change:	£(687,300)		

The amount agreed for the allocation of the original DCSF grant was for £1,062,300 in 2008/09. The DCSF funding conditions allow the funding to be carried forward and not all of this funding will be spent in 2008/09 with a proportion being carried forward into 2009/10.

The priority for this financial year is to complete feasibility studies to identify how funding will be spent over the three year period of the funding. Time needed for planning, design and work taking place in school holidays means that it will not be possible to complete large projects, including the Peter Gladwin extension, this financial year. There is additional funding of £1,062,300 for both 2009/10 and 2010/11.

Department:	CYPT		
Project Name:	Devolved Capital		
Current budget:	£3,416,430	Proposed revised budget:	£2,507,470
Total budget change:	£(908,960)		

Devolved Formula Capital is a financial resource that is devolved to schools by the Local Authority. Schools have the option to accrue the money for a maximum of 3 years. However, accrued funds are normally retained by the LA. The current projected outturn figures represent the amount schools are anticipated to request by the end of the financial year. Should any school projects run faster than anticipated, funding would have to be made available

Department:	Adult Social Care & Housing		
Project Name:	Places for change programme		
Current budget:	£400,000	Proposed revised budget:	£300,000
Total budget change:	£(100,000)		

CLG has changed the profile of the funding for the programme. This funding is being used to redevelop First Base Day Centre (owned and managed by Brighton Housing Trust) and refurbish/remodel Palace Place.

As the refurbishment works at Palace Place have been more complicated than those at First Base Day Centre the change in the funding profile by CLG does not cause any issues for the overall project. As First Base Day Centre is further progressed with building works it will mean that more funding can be provided to them in 2008/09 than originally planned.

CAPITAL VARIATION REQUESTS

Project Title: Transport Opportunity Fund	Approved Budget: £36,940
---	--------------------------

Directorate: Environment	Variation: £30,000
--------------------------	--------------------

Additional funds are required to support the adequate provision of cycle shelters and changing facilities at Council buildings, due to the increasing number of staff cycling to and from work.

The additional costs will be funded by a revenue contribution.

Project Title: Car parks investment & improvements	Approved Budget: £2,010,000
--	-----------------------------

Directorate: Environment	Variation: £250,000
--------------------------	---------------------

An invest-to-save opportunity has been identified offering significant energy savings, ongoing maintenance savings and aesthetic improvements in relation to the mechanical ventilation system at Lanes car park. As part of the design & build contract for the refurbishment of Lanes car park an added value proposal has been made, outside of the original scope of works, to replace the existing system and reduce energy costs by over 70%. This would equate to savings of at least £28,000 per annum. The reduction in carbon emissions would make a big impact and demonstrate that the council is acting positively to meet its environmental objectives.

In 2007/08, the council spent £79,000 on electricity at the Lanes car park, of which around £30,000 was spent on powering the ventilation system. Consumption at the same level in 2009/10 would be closer to £40,000. The new system will reduce energy consumption by at least 70%, or £28,000 per annum. The existing system is very inefficient. It is 30 years old and the fans (which operate 24 hours a day) are nearing the end of their life. A recent dilapidations report forecast £190,000 of planned replacement/maintenance for the system over the next 10 years.

The cost of completely replacing the system would be £250,000. The works would pay for themselves through energy savings within 9 years at current rates and faster if energy prices continue to rise. In addition, significant savings would be realised through reduced planned maintenance costs.

An added benefit of replacing the existing ventilation system would be to free up a large amount of space, particularly headroom, by removing the existing ductwork and using a modern shunt fan system. This would give the car park a much more open feel and make it easier to keep clean.

The original scope of works allowed for basic repairs to the existing system. The idea to replace the entire system was suggested at a late stage and a feasibility study was commissioned to address the practicalities and Health and Safety issues. The results of that feasibility study were made available on 27th October.

The costs would be funded from the revenue savings on energy costs.

NEW PROJECT APPROVAL REQUESTS

New capital project approval

Project title: Cityparks green waste composting facilities in Stanmer Park	Total project cost: £63,250 Directorate: Environment
--	---

Purpose, benefits and risks

City Parks have been liaising with the Environment Agency to improve the handling of green waste at Stanmer Park and increase the amount of green waste composted. To prevent any run off from the waste into ground water supplies, a concrete pad is required to place collected green waste ready for transfer to a composting facility.

The service put out to tender the management of its green waste and the most cost effective and sustainable solution is the construction of a concrete pad.

Capital expenditure profile

	2008/09	2009/10	2010/11	2011/12	TOTAL
Revenue Contribution	£63,250				£63,250

Financial implications

The project will be a one year cost funded from existing revenue budgets within City Services

Whole Life Costing

	2008/09	2009/10	2010/11	Future annual costs
From Revenue Budget	£63,250			£0

New capital project approval

Project title: SEEDA Funded Infrastructure works at Falmer Total project cost: £5,226,000
 Directorate: Environment

Purpose, benefits and risks

These works are to improve the A27/A270 interchange at Falmer, to close the existing entrance to the University of Sussex on the A27 and to construct a new entrance from Stanmer Park Road to Sportcentre Road. All of these works are funded by SEEDA to improve the Academic Corridor. All these works meet the planning conditions set by the Secretary of State as part of the planning approval for the new Community Stadium at Falmer.

The necessary legal agreements between SEEDA, the club and the Council to secure the funding and to manage any cost overrun, should be signed by the end of October 2008. The agreements also allow for the unlikely event that should the club decide not to proceed with the stadium, then all of the fees incurred by the Council will be borne by the club. Any overspend will be funded by the football club.

SEEDA's principal reasons for funding these works include improved employment and learning capabilities within the Academic Corridor (included the proposed Falmer Academy), contributing to achieving key objectives' in the Council's Economic Strategy and supporting the development of the Community Stadium.

Capital expenditure profile

Year	2008/09	2009/10	2010/11	2011/12	TOTAL
Estimated costs and fees	£300,000	£3,828,000	£1,040,000	£58,000	£5,226,000

Financial implications

Spend Profile

Works	£4,698,000
Consultants	£453,000
Management Fees	£75,000
Total	£5,226,000

Funding

SEEDA £5,226,000 with any cost over run funded by the football club (by Agreement)

Revenue Implications

The maintenance liabilities of the new infrastructure will be absorbed into existing budgets and should need very limited maintenance in the short term.

New capital project approval

Project title: Lifts

Total project cost: £ 100,000

Directorate: Housing and City Support

Purpose, benefits and risks

The Capital Budget Report approved by cabinet in April 2008 included an earmarked contingent sum in reserves for Lift Repairs of £100,000.

Officers seek the release of this contingency in order to fund the capital works that have arisen from the lift service contract. Additionally, two major breakdowns have occurred during this year, including one in a sheltered scheme, which require capital repairs.

Capital expenditure profile

	2008/09	2009/10	2010/11	TOTAL
HRA Reserves Contingency	£100,000	£0	£0	£100,000

New capital project approval

Project title: Info System for Parents & Providers

Total project cost: £ 22,330

Directorate: Children and Young Peoples Trust

Purpose, benefits and risks

Purchasing the Evince database to ensure we are ready for the Information System for Parents and Providers (ISPP) national project.

The Family information Service (FIS) has been using a database provided for free by the Department for Children, Schools and Families (DCSF) delivered by Opportunity Links. The funding for an updated database has now been devolved locally for FIS to purchase a database directly.

The FIS needs to purchase a new database ensuring that it complies with the following:

1) The new database is needed as the FIS database needs to be compliant with a new national ISPP system which will gather local information into a national aggregator.

2) The new database also needs to provide the information outlined in the Local Authority duty to provide Information, Advice and Assistance – Childcare Act 2006.

FIS applied and received approval for a waiver to purchase the database from the existing database supplier. The purchase of the Evince database from Opportunity Links represents best value for money for the following reasons:

Evince is very similar to the existing Ichis system

The current FIS data would transfer easily from Ichis to Evince

Reports and monitoring systems would transfer between systems

The whole FIS team are trained to use this system

The system works with and enhances the Family Services Directory (purchased last year from Opportunity Links)

Opportunity Links have experience of working with the DCSF and are making sure that their systems are compliant and interoperable with the Information Systems for Parents and Providers (ISPP) national project

This is a one off project and the capital costs cover the start up funding for the Evince database ensuring that there is a seamless transfer between the existing system and the new Evince system. Reports from other local authorities who have made this transfer have been positive and there has been minimal disruption to the service.

Capital expenditure profile

Year	2008/09	2009/10	2010/11	TOTAL
Estimated costs and fees	22,330	£0	£0	£ 22,330

Financial implications

Funding to support procurement of an information system for parents and providers (ISPP) has been made available from the Department for children, schools and families. This ring fenced grant supports Local Authorities with the new information duties of the Childcare Act 2006 through the Information System for Parents and Providers by a capital grant of £22,330 and a revenue grant of £11,000.

New capital project approval

Project title: Beech Cottage Improvement Works

Total project cost: £125,000

Directorate: Adult Social Care & Housing

Purpose, benefits and risks

A Value for Money Review of the home care service directly provided by the council was completed in January 2008. One of the recommendations of the review was to create one office base for the home care service. Currently the service operates from 2 bases in the city (Hove Town Hall and Craven Vale). Various options have been explored to accommodate a single base but the only suitable council owned property available is Beech Cottage, Warren Road, Woodingdean. The move to Beech Cottage would result in one office base and would result in less duplication of services and therefore better value for money.

Relocating the Homecare service from Craven Vale provides the opportunity to convert the space vacated to create eight additional bedrooms which would help to ease the pressure of bed capacity in the city.

Beech Cottage has been vacant for some time and requires an estimated £125,000 of investment to bring it back to a reasonable standard for office accommodation including an estimated £33,500 for ICT and £83,500 for builders and mechanical & electrical work. This work must be completed urgently as the provision of the priority additional beds at Craven Vale is conditional on Beech Cottage being ready for Homecare to move in to.

Capital expenditure profile

	2008/09	2009/10	2010/11	TOTAL
Mental Health Capital Grant	£125,000	£0	£0	£ 125,000

Financial implications

The improvement costs for Beech Cottage are estimated to be £125,000 and this will be fully funded by utilising the Mental Health Capital Grant allocation for 2008/09. This grant funding can be spent on any capital purpose due to the freedoms arising from being a CSCI three star social services authority.

If the grant funding was not available these costs would have to be met from unsupported borrowing, which would mean annual borrowing costs in the region of £12,000 per annum to be met from the revenue budget.

The running costs of Beech Cottage are estimated to be in the region of £10,000 per annum and these costs have been allowed for as part of the budget strategy for 2009/10.

Whole Life Costing

	2008/09	2009/10	2010/11	Future annual costs
Running costs	£2,000	£10,000	£10,000	£10,000

New capital project approval

Project title: Best Programme

Total project cost: £2,776,000

Project Manager: Martin Reid

Directorate: Adult Social Care and Housing

Purpose, benefits and risks

Expenditure of the Council's share of the 2008/09 Private Sector Housing Renewal Grant allocation to the Brighton & Hove and East Sussex Together (BEST) local authority consortium in accordance with the provisions of the Regularity Reform (Housing Assistance) Order 2002 as detailed in the report to Housing Committee and approved on 10 September 2008.

Such expenditure to be targeted to the various forms of assistance identified as Policy Tools in the Council's Housing Renewal Assistance Policy and/or in accordance with the approved Home Safety and Security initiative and other relevant programmes.

Payment of the remaining £2,397,000 of the £5,173,000 Housing Renewal Grant allocated for the 2008/09 Brighton & Hove East Sussex Together (BEST) programme to the five East Sussex authorities in accordance with an agreed distribution.

Capital expenditure profile

Year	2008/09	2009/10	2010/11	2011/12	TOTAL
Estimated costs and grant	£2,776,000				£2,776,000

Financial implications

Grant aided expenditure of £2,776,000 of the BEST Housing Renewal Grant Allocation in accordance with the council's Housing Renewal Grant allocation.

New capital project approval

Project title: Children's Social Care

Total project cost: £ 150,000 of which 50% is from CYPT and 50% from ASC&H

Directorate:
Children and Young Peoples Trust

Purpose, benefits and risks

Adaptations are proposed to two properties, the first is a loft conversion and the second involves downstairs alterations to allow home care for a child with autistic spectrum disorder and severe epilepsy.

The placements fit with the strategic direction towards Friends and Families carers and away from expensive agency/residential placements.

Colleagues in ASC&H have agreed to share the cost.

Capital expenditure profile

Year	2008/09	2009/10	2010/11	TOTAL
Estimated costs and fees	£150k in total- £75k each for the CYPT and ASC&H	£0	£0	£150,000

Financial implications

This is a one-off cost in terms of capital expenditure.

The sum will be funded as follows:

£43,000 Children's Social Care Capital Budget

£28,500 Adaptations budget in Children's Disability Service

£3,500 Family & Friends Revenue Budget

£75,000 Disabled adaptations capital budget within Adult Social Care & Housing

New capital project approval

Project title:	Pavilion Security Control Room	Total project cost: £112,000
		Directorate: Cultural Services

Purpose, benefits and risks

Relocation of Royal Pavilion Security Control Room

The current security control is a hub of activity for the Royal Pavilion Estate. Its location is inappropriate to the functions it carries out and it is no longer fit for purpose to provide a modern security function. For example, staff and contractors needing to see duty security control room staff have to wait in the visitor admission area; this is not good practice and leaves visitors with a poor impression of how business is conducted. The need to relocate the control room was identified during an external independent review of security at the Royal Pavilion.

Capital expenditure profile

Year	2008/09	2009/10	2010/11	TOTAL
Estimated costs and fees	£112,000	£0	£0	£112,000

Financial implications

The funding for this scheme is as follows:

Contribution from Capital Planned Maintenance Budget held within Finance & Resources £30,000
 Pavilion Renewals Fund £60,000
 Preston Manor Fund £17,000
 Direct revenue contribution £5,000

New capital project approval

Project title: Falmer Academy – provision of the Swan Centre and Caretaker’s Flat	Total project cost: £557,000 Directorate: Children & Young Peoples Trust
---	---

Purpose, benefits and risks

Agreement to this capital scheme will lever in £27.5m DCSF capital funding to enable a first class academy with state of the art ICT facilities to be provided over two phases, completing in 2011. To conclude the development of the Outline Business Case (OBC) process the council is required to agree that it will fund those parts of the Falmer Academy development that cannot be met by the DCSF. The DCSF are not able to fund the re-provision of the Swan Centre and the caretaker’s accommodation even though these are integral to the Academy proposal.

The Swan Centre is a valuable facility that provides help and assistance to children on the Autistic Spectrum who attend Falmer High School, The Academy Sponsor has indicated that he is very keen for this facility to be part of the Academy proposal. After exploring options for the possible re-location of the Swan Centre it was concluded that the facility should be retained within the proposed Academy which provides optimum benefits for students and the academy and supports the council's SEN Strategy. Consequently, the council is required to fund the provision of this space within the Academy and agree a Service Level Agreement with the Academy for the management of Swan Centre.

Funding has been identified for this development (which will form part of the Academy construction programme) from Targeted Capital Funding (TCF) allocated to Brighton & Hove City Council in the three year settlement notified in December 2007. This funding is provided to 76 local authorities in later waves of Building Schools for the Future (BSF) funding to enable those authorities to improve their secondary stock and the outcomes for young people prior to joining the full BSF programme. The funding is offered in the form of Supported Capital Expenditure (Capital) or SCE(C) which is a capital grant and means that there are no associated borrowing costs with the scheme. The total TCF allocation is £8m (£2m in 2009/10 and £6m in 2010/11). This project will leave £5.443m of the 2010/11 allocation available.

Currently, Falmer High School has two caretakers both of whom are provided with on site accommodation. This accommodation is provided as a service tenancy on the basis that it helps the caretakers in the performance of their duties. It also provides the school with a level of passive security outside the normal school day. The cost of this provision is also to be met from the TCF funding mentioned above.

This course of action was agreed in principle at Policy and Resources Committee on 7th February and 6th March 2008.

Capital expenditure profile

Year	2008/09	2009/10	2010/11	TOTAL
Estimated costs and fees	£0	£0	557,000	£557,000

Financial implications

This is a one-off cost in terms of capital expenditure with no additional revenue capital financing implications. Financial risk in relation to this aspect of the academy development only will remain with the council and/or its contractor for the works.

The ongoing revenue costs for the provision of the two facilities will be a part of the overall academy budget. Detailed costings and service plans are still being developed but these replacement facilities are expected to be cost neutral and will be funded through the academy’s formula funding.

Subject: Dignity and Respect at Work
Date of Meeting: 2 December 2008
Report of: Director of Strategy & Governance
Contact Officer: Name: Shaun Rafferty Tel: 291290
E-mail: shaun.rafferty@brighton-hove.gov.uk
Wards Affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 The purpose of the report is to update overview and scrutiny members on the council's progress in developing an effective approach to bullying and harassment at work.
- 1.2 A Dignity and Respect at Work policy will look at the issue in its widest context. By establishing some clear standards of behaviour and a toolkit of approaches that staff and managers can use, the policy would look to resolve issues at the earliest possible stage before relationships become irrevocably damaged. However where clear bullying or harassment is taking place the policy will also define a zero tolerance approach with clear processes for tackling the issue head on.

2. RECOMMENDATIONS:

- 2.1 To note and comment on the content of this report and consider requesting further updates once the draft policy is complete.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The results of the last staff survey indicated that, despite some improvement since the previous survey, there was still some concern that the council does not have effective mechanisms for tackling bullying and harassment at work. Similar concerns were expressed by focus groups held following the last staff survey and the council's equalities staff forums. The development of a Dignity & Respect at Work policy and toolkit aims to address these issues.
- 3.2 In the last two years there has been a great deal of high profile work done nationally on the issue of bullying and harassment at work. A large scale

research project undertaken jointly by the DTI and the Trade Union Amicus identified a range of problems in the English workplace and a range of possible solutions. Along with approaches recommended by ACAS it is considered a dignity and respect at work policy likely to be more effective than the usual bullying and harassment procedures.

- 3.3 Following a successful session with the council's Directors and Assistant Directors in July a working group has been formed to represent the whole council. HR will lead the working group in the formulation of the policy and toolkit. The Chief Executive will be the project sponsor. The group will be supported by Dr. Karen McIvor, an academic who worked on the national research project with the DTI and Amicus. A project initiation document for the group is attached as appendix 1.
- 3.4 Next steps are that the working group will look to have a draft policy for TMT in January 2009 with a plan to launch the policy from April 2009.
- 3.5 Specifically the policy and toolkit will contain:
- Clear standards of respectful behaviour at work
 - A process for raising concerns both informally or formally
 - A proposal to establish a network of confidential dignity and respect advisors
 - A toolkit of approaches such as mediation or behavioural contracts to try and head issues off early
 - A clear process for tackling bullying and harassment that does not put the onus on the individual to initiate and manage the process.
 - Support for witnesses of bullying and harassment and a confidential reporting route
 - Approaches for supporting staff whose dignity and respect is threatened not just by other staff but by services users, partners or elected members.
 - A scheme for monitoring and learning from breaches of dignity and respect at work
 - Access to a staff welfare helpline for support advice and counselling
 - Some high impact training for staff and managers on Dignity and respect at Work

4. CONSULTATION

- 4.1 Outline consultation has already taken place with the trade unions and the Cabinet members for Central Services. The trade unions will continue to be consulted throughout the development of this policy.
- 4.2 The project group will seek the views of a random selection of council employees and managers to help inform the development of the policy, toolkit and behaviour protocols.
- 4.3 All staff equality forums will also be consulted as the policy is developed.

4.4 The draft policy will be presented to directorate DMTs and TMT. The council's Employment Lawyer will sit on the working group and comments from any other specialist stakeholders will also be sought at this stage. In the light of the feedback, the project group will produce a final draft. Formal consultation on the final draft will then take place with representatives of the recognised trade unions, the council's scrutiny committees, the appropriate cabinet members and the council's Staff Consultation Forum.

5. FINANCIAL & OTHER IMPLICATIONS:

5.1 Financial Implications:

There are no direct financial implications arising from this report. However, an effective Dignity and Respect at Work policy could reduce the cost and risk of litigation in employment tribunals.

Finance Officer Consulted: Anne Silley/Peter Francis *Date: 28/10/08*

5.2 Legal Implications:

All existing anti-discrimination laws (race, sex, religion, age, disability) cover bullying and harassment and there are also general laws on harassment where no particular motive need be attributed. Our policy will need to be compliant with those laws and also reflective of case decisions and codes of practice thus ensuring the policy is effective at the grass roots level

Lawyer Consulted: Ian Yonge *Date: 27/10/08*

5.3 Equalities Implications:

The policy will be subject to a full Equality Impact Assessment before it is launched.

5.4 Sustainability Implications:

None

5.5 Crime & Disorder Implications:

None

5.6 Risk and Opportunity Management Implications:

None

5.7 Corporate / Citywide Implications:

None

SUPPORTING DOCUMENTATION

Appendices:

1. HR Project - Development and implementation of a Dignity & Respect at Work Policy

Documents In Members' Rooms

Background Documents



HR Project - Development and implementation of a Dignity & Respect at Work Policy

Project context

The council seeks to prevent all forms of bullying and harassment by, or towards, any employee and is committed to creating and maintaining a culture in which all staff, irrespective of how senior they are and where they work, are treated with dignity and respect. Although, the council has had a Bullying and Harassment Policy since December 2003, this is now in need of review.

Project drivers

Bullying and harassment within the workplace is unwelcome and undesirable not only for ethical and moral reasons but also on business grounds. The effect of bullying and harassment on the individual can be devastating but, perhaps less immediately obvious, is the significant damage it can do to organisational performance, productivity and reputation through:

- poor morale and employee relations
- loss of respect for managers/colleagues
- poor performance
- reduced productivity
- increased sickness absence
- increased staff turnover
- damage to the council's reputation as a good employer
- difficulty in recruiting

The Council also has a legal duty to protect employees' health, safety and welfare at work and is liable for the actions of its staff whilst at work. Failure to prevent bullying or harassment in the workplace may expose the council to a number of legal consequences including claims of unlawful discrimination.

Despite having a Bullying and Harassment at Work Policy, there is evidence to suggest that some staff have experienced bullying or harassment in the workplace. Evidence has come from a number of sources:

- feedback from the Staff Surveys carried out in 2005 and 2007
- externally facilitated employee focus groups
- grievances raised by individuals
- anecdotal evidence provided by the Staff Forums
- a report commissioned by TMT "Perspectives of Bme Staff" in December 2006
- exit questionnaire data

- the Audit Commission's report in October 2006 following the annual Comprehensive Performance Assessment.

Project Objectives

The objectives of the project are to:

- facilitate the council's leadership to identify the core values which will define and develop the right workplace culture across the organisation
- clearly define and introduce a set of behavioural norms for staff that will underpin the core values .
- link the defined behavioural norms to performance management and personal development frameworks to embed the desired workplace culture
- determine and implement an effective support network for staff experiencing bullying or harassment
- identify and introduce informal intervention mechanisms to enable bullying and harassment issues to be resolved at an early stage without the employee having to resort to formal procedures
- implement successfully a Dignity & Respect at Work Policy that will enable the council to develop and maintain a workforce culture in which all staff are respected and treated with dignity
- secure a written commitment from TMT and Assistant Directors/Heads of Service to actively support the policy and endorse the behavioural norms for staff
- develop a learning and development programme to support the implementation of the policy
- develop a mechanism for monitoring objectively the effectiveness of the policy following implementation.

Project Methodology

A project group of key stakeholders and chaired by the AD, Head of Human Resources, will be established to undertake the project in accordance with the Project Plan.

Project Group membership

The project will be championed by Alan McCarthy

The project group will comprise:

Shaun Rafferty, AD, Head of HR (chair)
Liz Boswell, Policy & Projects Manager
Equalities Officer
Caroline Bottrell, Head of Learning & Development
Ian Yonge, Employment Lawyer

Janita Bagshawe, Head of Museums & Royal Pavilion
Brigid Day, Interim Head of Adult Social Care (Operational)
Liz Rugg, AD Specialist Services
Richard Butcher-Tuset, Head of Cabinet Support
Judith Macho, AD Public Safety
Dr McIvor, specialist consultant

Project Group Terms of Reference

The remit of the project group will be:

- to develop and draft a Dignity & Respect at Work Policy and associated toolkit. The work will include:
 - researching the issues relating to bullying and harassment including the legal framework and best practice
 - developing/adopting a definition of bullying and harassment
 - seeking the views of staff, including those who have experienced or witnessed bullying or harassment at first hand, in order to:
 - help identify the key issues
 - define what the essential elements of a good workplace culture are
 - identify what aspects of the current culture need to change within the organisation and how this might best be achieved
 - facilitating TMT to identify the council's core values and from this to identify the standards of behaviour expected of all staff and to clearly define what these behavioural norms mean in practice
 - carrying out an Equalities Impact Assessment on the draft Policy and toolkit.

- to look at ways to encourage and support staff who consider they have been bullied or harassed to raise the issue – in particular to consider the benefits and practicalities of introducing a network of trained, confidential harassment advisers to provide that practical support
- to identify how informal intervention methods, such as mediation, could be used to resolve bullying and harassment issues effectively at an early stage without the employee having to resort to using formal procedures
- to examine, in conjunction with I&OD, how best to incorporate the new behavioural norms for staff and managers into the PDPS process/paperwork
- to develop, in conjunction with I&OD, a development programme to support the implementation of the policy and toolkit
- to develop a strategy for communicating the new policy and toolkit to the workforce.
- to examine how the effectiveness of the policy can be objectively measured
- to explore the feasibility of involving a specialist in this field and identify what role, if any, they could usefully play in the development of the policy.

Communication and Consultation

The project group will seek the views of a random selection of council employees and managers to help inform the development of the policy, toolkit and behaviour protocols.

The draft policy will be presented to directorate DMTs and TMT. Comments from the Council's Employment Lawyer and any other specialist stakeholders will also be sought at this stage. In the light of the feedback, the project group will produce a final draft. Formal consultation on the final draft will then take place with representatives of the recognised trade unions, the council's scrutiny committees, the appropriate cabinet members and the council's Staff Consultation Forum.

The new policy will be launched and publicised to all employees.

Decision-making arrangements

Following the conclusion of the consultation process, the Director of Strategy & Governance will sign off the new policy and toolkit under delegated powers.

OVERVIEW AND SCRUTINY COMMISSION

Agenda Item 64

Brighton & Hove City Council

Subject: Working Relations with Older People's Council
Date of Meeting: 2 December 2008
Report of: Director of Strategy and Governance
Contact Officer: Name: **Mary van Beinum** Tel: **29-1062**
E-mail: **Mary.vanbeinum@brighton-hove.gov.uk**
Wards Affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 Governance Committee on 18 November considered a report on the links and working relations between the Council and the Older People's Council (OPC). The report and extract from the minutes is included at Appendix 1 to this report.
- 1.2 Governance Committee resolved to recommend to Cabinet and Chairmen of Overview and Scrutiny Committees, a number of actions to improve the working relationship by building on existing good practice. These are included at paragraph 3.4.1 of Appendix 1.

2. RECOMMENDATIONS:

- 2.1 (1) That the Overview and Scrutiny Commission notes the resolutions of the Governance Committee
- 2.2 (2) That the Overview and Scrutiny Commission discusses and reaches agreement over the actions necessary to implement the recommendations set out in paragraph 3.4.1 of Appendix 1

3. RELEVANT BACKGROUND INFORMATION

- 3.1 Background information is included at Appendix 1.

4. IMPLICATIONS:

None in relation to this report.

5. SUPPORTING DOCUMENTATION

Appendix 1 – report and extract from the minutes of Governance Committee 18 November.

GOVERNANCE COMMITTEE

Appendix 1 Item 64 Overview & Scrutiny Committee 2 December 2008

Brighton & Hove City Council

Subject:	Working relations with the Older People's Council
Date of Meeting:	18 November 2008
Report of:	Director of Strategy & Governance
Contact Officer:	Name: Abraham Ghebre-Ghiorghis Tel: 29-1500
	E-mail: Abraham.ghebre-ghiorghis@brighton-hove.gov.uk
Wards Affected:	None

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 To report to the Governance Committee on the links and working relations between the Council and the Older People's Council ("the OPC") and recommend certain steps to improve the working relationship by building on existing good practice.

2. RECOMMENDATIONS:

- 2.1 That Members note the information in this report.
- 2.2 That Members recommend to the Cabinet and the Chairs of Overview & Scrutiny Committees the actions set out in paragraph 3.4.1.

3. RELEVANT BACKGROUND INFORMATION:

- 3.1 At its meeting on 24 April 2008, the Council resolved to instruct Officers to bring forward a report within the 6 months review period, a report on the links and working relationships between the Council and the OPC. This report provides some background information before proposing certain steps to build on the existing working relationship between the Council and the OPC.
- 3.2 **The Role and Status of the OPC.**
- 3.2.1 The OPC was established by the Council in November 2001. Elections were held in 2003 and again in 2007 to the OPC which consists of 9 people of 60 years of age or above from an electoral register of 40,000 Brighton & Hove residents aged 60 or above. The next elections are in 2011. The City is divided into 9 electoral districts based on council electoral wards for these purposes:

1. North Portslade, South Portslade and Wish
2. Patcham and Withdean
3. Central Hove and Westbourne,
4. Rottingdean and Woodingdean,
5. Hangleton & Knoll, Stanford,
6. Hollingbury & Stanmer, Moulsecoomb & Bevendean,
7. Hanover and Elm Grove, Preston Park, St Peters and North Laine
8. East Brighton, Queens Park and
9. Brunswick and Adelaide, Goldsmid and Regency.

3.2.2 This method of directly electing an Older People’s Council is based on a Danish Model where every Town or City, by law, has to elect a Seniors Council. A small study group of older people and City Councillors from Brighton & Hove visited Denmark in 2000 and were impressed by the difference the Senior Councils made in influencing policy makers and the provision and delivery of services for older people. Following this visit, the Council decided to set up the OPC.

3.2.3 The Brighton & Hove OPC is supported by but independent of the Council. It works in partnership with the Council, the Health Service and other organisations making sure that older people have a say about the services and development of policies that reflect them and the community they live. The OPC’s Constitution provides, among other things;

“the OPC is established to inform the policy and decision-making of Brighton & Hove City Council... including service development, service delivery and resource allocation, with regard to matters that impact on quality of life and the opportunities available for older people in Brighton & Hove.”

3.2.4 The OPC has a code of conduct based on the Code of Conduct for Members. The Council’s Head of Law acts as its “Legal Adviser” for the purposes of ensuring compliance with the Code.

3.3 The Current Position

3.3.1 The OPC has a close working relationship with the Council. It is supported by a Senior Officer in the Adult Social Care & Housing Directorate and receives other support in the form of venues for meetings, contribution towards expenses and organising the elections. At least 3 Members of the OPC have been local councillors in the past which helps in the mutual understanding and working relations of the Council and the OPC.

3.3.2 The OPC has a co-optee in the Health Overview & Scrutiny Committee of the Council and receives agendas for Council meetings. Each of the 9 OPC members are assigned a special area of interest so that they can keep abreast of policies and make representations if it is thought there would be an impact on older people in the City. The OPC is also represented in the Community Safety Forum.

3.3.3 Much of the liaison with the OPC takes place informally. The Leader and the Cabinet Member for Community Affairs, Inclusion and Internal Relations have meetings with OPC members in addition to contacts at Officer level. However these are currently not structured or co-ordinated.

3.3.4 The OPC has adopted priorities/a programme of action for 2007-2011. These include:

- **Listening to older people in the city** by organising public events (lectures, conferences, workshops etc.) and working closely with the Pensioners Forum.
- **Publicise the work of the OPC** by developing good relations with representatives of the local media, publishing news about what we do in The Pensioners Newsletter and other community journals and maintaining our own website.
- **Monitor the city council, local health trusts and other providers of goods and services** by making sure that we are represented on the appropriate committees and forums and by listening to the experience of older people using and receiving goods and services.
- **Challenge disadvantage experience by older people** by being watchful to ensure that all older people, regardless of race, creed, sexuality or ability, are given the same access to opportunity as every other member of society and are not discriminated against.
- **Highlight good service and opportunities that promote dignity and independence** by identifying and promoting the practical initiative that allow older people to live independent lives where they want to.
- **Promote the human and civil rights of older people** by encouraging the provision and maintenance of a physical and social environment that enables older people to live productive and fulfilling lives.

3.3.5 Although the OPC's priorities are focused on older people, much of it is consistent with the Council priorities.

3.4 **Proposals for Moving Forward**

3.4.1 The OPC met recently to consider suggestions for improving the working relations between the Council and the OPC. This was followed by a meeting between the Leader of the Council and the Chair of the OPC where there was substantial agreement on the proposals. These are set out below with specific recommendations.

(a) Streamlining Points of Contact

It was proposed that there should be regular scheduled meetings between the Leader, the Cabinet Member for Community Affairs, Inclusion and Internal Relations and other relevant Members with the Chair of the OPC.

Recommendations

It is recommended that there be a quarterly meeting as proposed where issues of common interest are discussed and taken forward as appropriate.

(b) Formalising the Relationship between the Council and the OPC

This included a number of specific proposals as follows:

- (i) Continuation of OPC co-option into the Health Overview & Scrutiny Committee (HOSC).

Recommendation

This continues existing arrangements and it is recommended that the Council agree.

- (ii) Co-option of an OPC member into the Housing and Adult Social Care Overview & Scrutiny Committee.

Recommendation

This has potential unintended implication in that if the OPC is co-opted as a member, it would be difficult to justify excluding other groups such as tenants, young people and people with disabilities.

It is therefore recommended that this is not agreed, but the issue of co-option generally is considered as part of the 6 months review of the constitution.

- (iii) Request that all other Overview & Scrutiny Committees consider OPC co-option.

Recommendation

Formal co-option into the membership of the Overview & Scrutiny Committees is not the best way to address issues of interest to older people as it has some of the adverse effects as discussed under (ii) above. It is therefore not recommended that there be a formal co-option of OPC members. However, the Overview & Scrutiny Committees should be encouraged to take on board representations made by the OPC as part of the Committees work programme and invite OPC members to comment or speak on issues of special direct relevance to older people (for example concessionary bus passes).

- (iv) Co-option of OPC members into Scrutiny Panels where there is an obvious OPC interest.

The Council's Constitution, as it stands, authorises the Overview & Scrutiny Committees, when establishing panels, to co-opt non-councillors. The proposal is therefore consistent with the letter and intent of the constitution and should be supported.

Recommendation

That the proposal is agreed and the Chairman of Overview & Scrutiny Committee be requested to bear this in mind.

- (v) Invite the OPC to give evidence to any Panel convened to examine issues of relevance to older people.

Recommendation

Again this is consistent with the Council's Constitution and Overview & Scrutiny Committees or Panels should be encouraged to invite the OPC to comment if the matter under discussion has particular relevance to older people.

- (vi) Clarification that OPC members co-opted into Committees or Panels are given speaking rights.

Recommendation

Any co-optee to a committee or panel has the same speaking rights as councillor members. There is therefore no specific action needed and that this be just noted

(c) Developing Joint Priorities

At the moment the OPC engages in various initiatives, but there are no priorities jointly shared with the Council. It would be beneficial for both the Council and the PCT to agree 4 or 5 issues they would focus on during the year rather than trying to tackle everything with the risk that none of it receives focused attention. By way of example the OPC suggest the following priorities:

- Public Toilets
- Public Seating
- Public clutter and
- Public Transport (bus links with where older people live – sheltered housing schemes etc.)

Recommendations

- That the Principle of agreeing shared priorities is agreed.
- That the priorities be agreed via the regular meetings with the Leader and actioned as appropriate.

3.5 The Next Steps

- 3.5.1 None of the recommendations in the report involve amendments to the constitution and they are capable of being implemented via the Leader and the Chairman of the overview & Scrutiny Committee. It is therefore proposed to forward the action points to them.

4. CONSULTATION

- 4.1 The proposals in the report were developed in consultation with the OPC and the Leader of the Council.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 There are no financial implications arising from this report.

Finance Officer Consulted: Anne Silley

Legal Implications:

- 5.2 The proposals in the report are consistent with legal requirements and the Council's constitution.

Lawyer Consulted: Abraham Ghebre-Ghiorghis

Equalities Implications:

- 5.3 The creation of the OPC and the further improvements to the working relations with the Council outlined in this report have positive contribution to the council's objectives regarding equalities and inclusion. They will ensure that the interests and concerns of older people are taken into account in the decision-making process.

Sustainability Implications:

- 5.4 There are no adverse sustainability implications arising from this report.

Crime & Disorder Implications:

- 5.5 The arrangements will assist in addressing the concerns of older people regarding their safety as the OPC will be able to influence policies through the proposed contacts.

Risk and Opportunity Management Implications:

- 5.6 There are no risks identified from the proposals in this report.

Corporate / Citywide Implications:

- 5.7 The proposals will have positive city-wide implications as they enable more effective representation of the interests of older people.

EXTRACT FROM THE PROCEEDINGS OF THE GOVERNANCE COMMITTEE HELD ON THE 18 NOVEMBER 2008

Present: Councillor Ann Norman (Chairman); Councillor Simpson (Deputy Chairman), Councillors Mrs Brown, Mrs Cobb, Elgood, Mears, Mitchell (OS), Oxley, Taylor and West.

Part One

49. WORKING RELATIONS WITH THE OLDER PEOPLE'S COUNCIL

- 49.1 The Committee considered a report of the Director of Strategy & Governance, concerning the links and working relations between the Council and the Older People's Council (OPC), and how these could be improved by building on existing good practice (for copy see minute book).
- 49.2 The Chairman introduced the report and stated that she hoped the recommendations could be taken forward and that stronger working relations could be developed between the two bodies.
- 49.3 Councillor Mears informed the Committee that as Leader of the Council she had met with the Chair of the OPC to discuss matters and a number of issues that had been raised had been taken on board within the report. She also noted that the Chair was very happy with the report and its recommendations.
- 49.4 Councillor Mitchell stated as the Chairman of the Overview & Scrutiny Commission she welcomed the report and supported the recommendations. She believed it was appropriate to have a co-opted member on the Health Overview & Scrutiny Committee and that other scrutiny committees and ad-hoc panels should take account of the need to involve the designated OPC member for the area in question. She felt that it would be helpful for the Overview & Scrutiny Commission to monitor the situation and would raise it with the Chairmen of the scrutiny committees.
- 49.5 Councillor Taylor referred to the OPC priorities listed in paragraph 3.3.4 and expressed his concern over the contradiction with the promotion of human civil rights, and the fact that a member of the OPC had been told they would have to stand down if they put their name to a political publication.
- 49.6 Councillor Mears stated that the OPC was an independent body and had the authority to determine how it should operate. The council recognised that independence and was seeking to build working relations with the OPC so that both organisations could work together

effectively for the benefit of the city.

49.7 **RESOLVED -**

- (1) That the information in the report be noted; and
- (2) That the actions set out in paragraph 3.4.1 of the report be recommended to the Cabinet and the Chairmen of the Overview & Scrutiny Committees.

OVERVIEW AND SCRUTINY COMMISSION WORK PLAN 2008 - 2009

Issue	Date	Overview & Scrutiny Activity	Progress And Date	Outcome And Monitoring /Dates
Coordination And Monitoring of Overview and Scrutiny				
Establishing working relationships between Cabinet and Overview and Scrutiny	From 15 May 2008, new Leader and Cabinet Constitution 9 September 2008 20 January 2009	Joint discussions, agreed priorities, shared information, invitations to relevant meetings Invite Cllr Fallon-Khan for discussion of portfolio Invite Cllr Simson for discussion of portfolio	Positive discussions on working between Scrutiny and the Executive and suggestions for possible scrutiny activities.	Suggestions added as possible items to OSC work plan
OSC Work Plan	15 July 2008 and every meeting Every meeting	To agree Outline Work Plan with built-in flexibility Checking progress	Suggestions added to the work plan. Additional meeting arranged February 2009 to discuss budget 2009-2010 proposals	Regular monitoring
Overview and Scrutiny Work Plans	21 October 2008	OSC to receive Scrutiny Committees' work plans	Establishment of first scrutiny panels, attracting public interest	Regular monitoring

OVERVIEW AND SCRUTINY COMMISSION WORK PLAN 2008 - 2009

Issue	Date	Overview & Scrutiny Activity	Progress And Date	Outcome And Monitoring /Dates
Corporate Documents and Performance Monitoring				
The Corporate Plan	3 June 2008 15 July 2008	Commenting on the Corporate Plan in advance of the 12 June Cabinet meeting Reporting back to OSC, re Commission Comments taken to Cabinet 12 June	Supplementary Report on OSC comments was taken to Cabinet 12 June	12 June Cabinet agreed 3 June OSC amendments
The Council's Annual Performance Report	15 July 2008 and annually	Receiving annual report before being presented to 10 July Cabinet	Replies provided to queries on performance against targets.	
Local Area Agreement	3 June 2008 Then regular review as necessary	Receiving draft report	Request to keep under review.	
Performance Monitoring	21 October 2008	Monitoring performance		Regular monitoring

OVERVIEW AND SCRUTINY COMMISSION WORK PLAN 2008 - 2009

Issue	Date	Overview & Scrutiny Activity	Progress And Date	Outcome And Monitoring /Dates
	20 January 2009	Q2 performance report		
Overview and Scrutiny of Budget and Policy Framework				
Targeted Budget Management	OSC 15 July 2008 Month 2	Considering forecast outturn and requesting financial recovery plans		Regular monitoring
	OSC 21 October 2008 Month 4, incorporating financial recovery plans	Considering forecast outturn		
	OSC 2 December TBM Month 6	Considering forecast outturn		
The Council's Annual Budget	3 February 2009	Additional OSC meeting to consider 2009 – 2010 budget proposals		
Sustainable Community Strategy	Early 2009	Commenting before publication of Strategy		

OVERVIEW AND SCRUTINY COMMISSION WORK PLAN 2008 - 2009

Issue	Date	Overview & Scrutiny Activity	Progress And Date	Outcome And Monitoring /Dates
Equalities and Inclusion Policy	OSC 15 July 2008 20 January 2009	Providing feedback on Policy Receive and Comment on the first of twice yearly progress reports	Requesting twice-annual progress reports	
Dignity at Work	2 December 2008	Commenting on approach to Draft Dignity at Work Policy		
Sustainability Strategy	OSC 21 April 2009	Receiving draft strategy for comment		
Overview and Scrutiny Of Other Functions Of The Council Leader, Finance And Central Services				
Corporate Procurement Strategy	OSC 9 September 2008	Commenting on recommended strategy	18 September Cabinet agreed Strategy	
Asset Management Plan and Corporate	OSC 9 September 2008	Commenting on recommended plan and strategy	Scrutiny comments taken into account by Cabinet 16 October	

OVERVIEW AND SCRUTINY COMMISSION WORK PLAN 2008 - 2009

Issue	Date	Overview & Scrutiny Activity	Progress And Date	Outcome And Monitoring /Dates
Property strategy				
Draft ICT Strategy	OSC 21 October	Commenting on draft strategy	Comments to be taken into account by Cabinet 20 November	
Scrutiny Reviews/Requests				
Dual Diagnosis	Early 2009	Endorsing scrutiny panel recommendations for reply by Cabinet/NHS bodies.		
Other strategic items				
Community Engagement Framework	15 July 2008	Considering consultation document for comment	Commenting as part of consultation process	
	21 October 2008	Receiving the final CEF and Monitoring its use in practice	OSC comments reported to Cabinet 18 November	

Other Potential Items suggested by Cabinet Member to be considered:

OVERVIEW AND SCRUTINY COMMISSION WORK PLAN 2008 - 2009

- 1) Use of Public Buildings for Administrative Purposes
- 2) Member development and
- 3) Aspirations to reach top quartile of high performing O&S functions