





Brighton & Hove
City Council

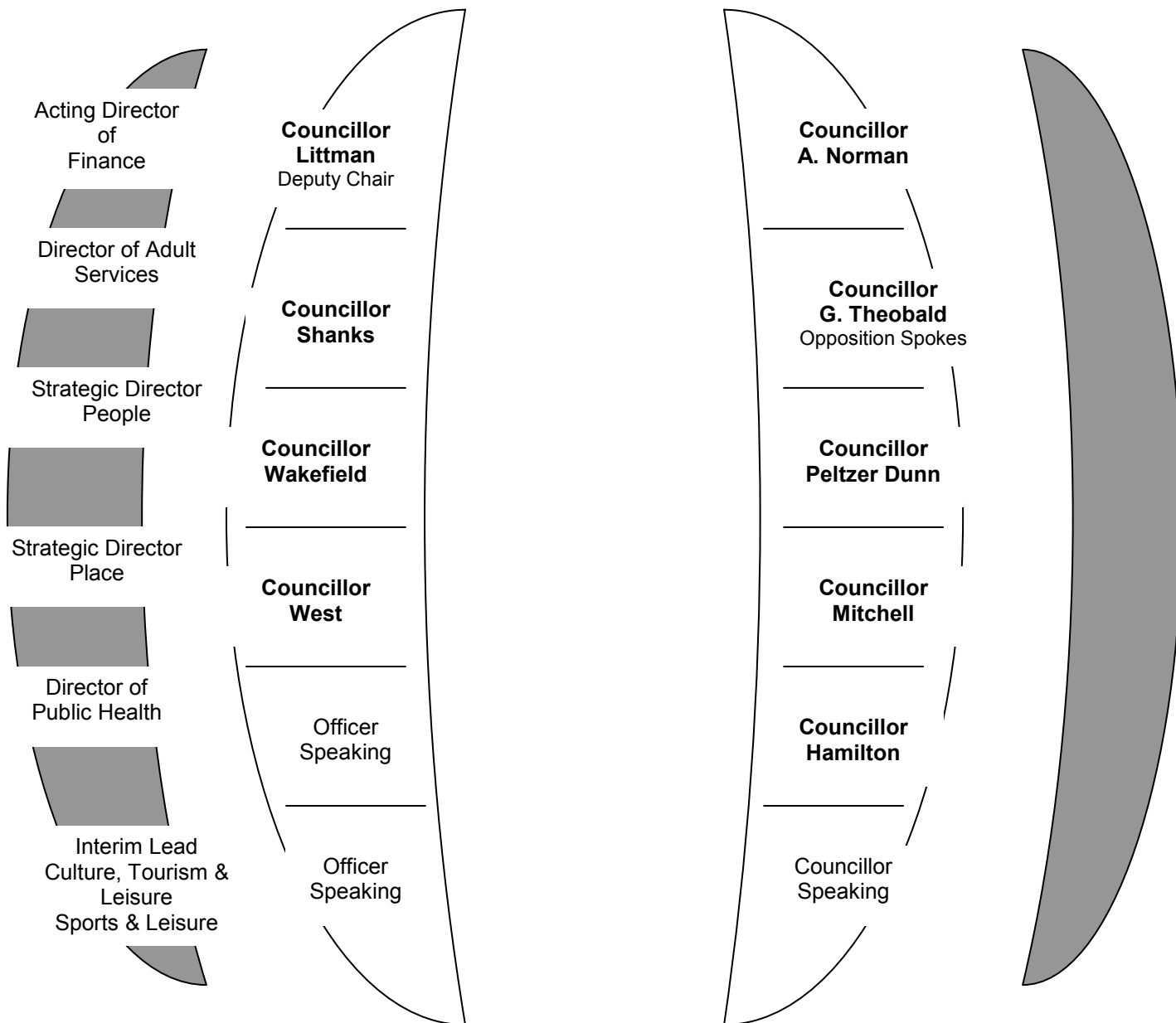
Policy & Resources Committee

Title:	Policy & Resources Committee
Date:	11 October 2012
Time:	4.00pm
Venue	Council Chamber, Hove Town Hall
Members:	Councillors: J Kitcat (Chair), Littman (Deputy Chair), G Theobald (Opposition Spokesperson), Hamilton, Mitchell (Opposition Spokesperson), A Norman, Peltzer Dunn, Shanks, Wakefield and West.
Contact:	Mark Wall Head of Democratic Services 01273 291006 mark.wall@brighton-hove.gov.uk

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Democratic Services: Policy & Resources Committee

Monitoring Officer	Councillor J. Kitcat Chair	Acting Chief Executive	Head of Democratic Services
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AGENDA

PART ONE

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PROCEDURAL MATTERS

48. PROCEDURAL BUSINESS

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

(b) **Declarations of Interest:**

- (a) Disclosable pecuniary interests not registered on the register of interests;
- (b) Any other interests required to be registered under the local code;
- (c) Any other general interest as a result of which a decision on the matter might reasonably be regarded as affecting you or a partner more than a majority of other people or businesses in the ward/s affected by the decision.

In each case, you need to declare

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

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

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

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

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

49. MINUTES

1 - 26

To consider the minutes of (a) the last ordinary meeting held on the 12th July and (b) the minutes of the special meeting held on the 6th September 2012 (copies attached).

POLICY & RESOURCES COMMITTEE

Contact Officer: Mark Wall
Ward Affected: All Wards

Tel: 29-1006

50. CHAIR'S COMMUNICATIONS

51. CALL OVER

- (a) Items (54 – 69) will be read out at the meeting and Members invited to reserve the items for consideration.
- (b) Those items not reserved will be taken as having been received and the reports' recommendations agreed.

GENERAL MATTERS

52. PUBLIC INVOLVEMENT

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

- (a) **Petitions:** to receive any petitions presented by members of the public to the full council or at the meeting itself;
- (b) **Written Questions:** to receive any questions submitted by the due date of 12 noon on the 4th October 2012;
- (c) **Deputations:** to receive any deputations submitted by the due date of 12 noon on the 4th October 2012.

53. MEMBER INVOLVEMENT

27 - 30

To consider the following matters raised by councillors:

- (a) **Petitions:** to receive any petitions submitted to the full Council or at the meeting itself;
- (b) **Letters:**
 - (i) to consider a letter from Councillor Mitchell concerning the allocation of committee places (copy attached);
- (c) **Notices of Motion:**
 - (i) to consider a Notice of Motion from Councillor G. Theobald concerning the allocation of committee places (copy attached).

FINANCIAL MATTERS

54. TARGETED BUDGET MANAGEMENT (TBM) 2012/13 MONTH 5

31 - 88

Report of the Director of Finance (copy attached).

Contact Officer: Nigel Manvell, Jeff Coates

Tel: 29-3104, Tel:
29-2364

Ward Affected: All Wards

STRATEGIC & POLICY MATTERS

- 55. ANNUAL SURVEILLANCE REPORT** **89 - 130**
- Report of the Acting Chief Executive (copy attached).
- Contact Officer:* Jo Player *Tel:* 29-4086
Ward Affected: All Wards
- 56. TENANT SCRUTINY** **131 - 158**
- Report of the Strategic Director; Place together with extracts from the Housing Committee meeting held on the 26th September and the Housing Management Consultative Sub-Committee meeting held on the 4th September 2012 (copies attached).
- Contact Officer:* Karen Amsden *Tel:* 29-1084
Ward Affected: All Wards
- 57. ARMED FORCES COMMUNITY COVENANT** **159 - 172**
- Report of Head of Policy, Performance & Analysis (copy attached).
- Contact Officer:* Clair Hopkins, Mary Evans *Tel:* 29-1577
Ward Affected: All Wards

REGENERATION & PROPERTY MATTERS

- 58. INSTALLATION OF AUTOMATIC METER READING (AMR) EQUIPMENT TO ELECTRICITY, GAS, WATER & HEAT METERS** **173 - 184**
- Report of the Strategic Director; Place (copy attached).
- Contact Officer:* Angela Dymott *Tel:* 29-1450
Ward Affected: All Wards
- 59. VOLUNTARY DEDICATION OF LAND UNDER THE CROW ACT** **185 - 200**
- Report of the Strategic Director; Place (copy attached).
- Contact Officer:* Angela Dymott *Tel:* 29-1450
Ward Affected: Hollingdean & Stanmer;
Patcham
- 60. ACCELERATED WORKSTYLES** **201 - 212**
- Report of the Strategic Director; Place (copy attached).
- Contact Officer:* Angela Dymott *Tel:* 29-1450
Ward Affected: All Wards

CONTRACTUAL MATTERS

61. CORPORATE PROCUREMENT OF ENERGY - NON HALF HOURLY ELECTRICITY (SUB 100KW) CONTRACT COMMENCING APRIL 2013 **213 - 228**

Report of the Strategic Director; Place (copy attached).

Contact Officer: Angela Dymott

Tel: 29-1450

Ward Affected: All Wards

GENERAL MATTERS

62. COMMUNITY RIGHTS UNDER LOCALISM ACT 2011 **229 - 240**

Report of the Monitoring Officer (copy attached).

Contact Officer: Elizabeth Culbert

Tel: 29-1515

Ward Affected: All Wards

63. NOMINATION OF MEMBER TO SERVE ON PROPOSED COASTAL WEST SUSSEX STRATEGIC PLANNING BOARD **241 - 244**

Report of the Strategic Director; Place (copy attached).

Contact Officer: Mike Holford

Tel: 29-2501

Ward Affected: All Wards

64. SHARED SERVICES: REQUEST FOR SCRUTINY REVIEW **245 - 250**

Extract from the proceedings of the Overview & Scrutiny Committee meeting held on the 10th September 2012 (copy attached).

Contact Officer: Tom Hook

Tel: 29-1110

Ward Affected: All Wards

65. NOMINATION OF A REPRESENTATIVE FOR THE FIRE AUTHORITY

To approve the appointment of Councillor Duncan to the East Sussex Fire Authority as the third Member from the Green Group, in place of Councillor Summers who has withdrawn from this body.

Contact Officer: Mark Wall

Tel: 29-1006

Ward Affected: All Wards

66. ITEMS REFERRED FOR COUNCIL

To consider items to be submitted to the 25th October 2012 Council meeting for information.

In accordance with Procedure Rule 24.3a, the Committee may determine that any item is to be included in its report to Council. In addition, each Minority Group may specify one further item to be included by notifying the Chief Executive no later than 10.00am on 8th October 2012 (the eighth

working day before the Council meeting to which the report is to be made), or if the Committee meeting takes place after this deadline, immediately at the conclusion of the Committee meeting.

PART TWO

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REGENERATION & PROPERTY MATTERS

67. ACCELERATED WORKSTYLES - EXEMPT CATEGORY 3 251 - 262

Report of the Strategic Director; Place (circulated to Members only).

Contact Officer: Angela Dymott Tel: 29-1450
Ward Affected: All Wards

GENERAL MATTERS

68. APPOINTMENT OF CHIEF EXECUTIVE - EXEMPT CATEGORIES 3 AND 4 To Follow

Report of the Monitoring Officer (circulated to Members only).

Contact Officer: Mark Wall Tel: 29-1006
Ward Affected: All Wards

PROCEDURAL MATTERS

69. PART TWO MINUTES 263 - 270

To consider the part two minutes of (a) the last ordinary meeting held on the 12th July and (b) the special meeting held on the 6th September 2012 (copies circulated to Members only).

Contact Officer: Mark Wall Tel: 29-1006
Ward Affected: All Wards

70. PART TWO PROCEEDINGS

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

POLICY & RESOURCES COMMITTEE

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

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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.

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For further details and general enquiries about this meeting contact Mark Wall, (01273 291006, email mark.wall@brighton-hove.gov.uk) or email democratic.services@brighton-hove.gov.uk

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Date of Publication - Wednesday, 3 October 2012

BRIGHTON & HOVE CITY COUNCIL
POLICY & RESOURCES COMMITTEE

4.00pm 12 JULY 2012

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

Present: Councillor J Kitcat (Chair) Councillors Littman (Deputy Chair), G Theobald (Opposition Spokesperson), Hamilton, Mitchell (Opposition Spokesperson), A Norman, Peltzer Dunn, Shanks, Wakefield and West

Other Members present:

PART ONE

16. PROCEDURAL BUSINESS

(a) Declarations of Substitutes

- 16.1 There were no declarations of substitutes.

(b) Declarations of Interest

- 16.2 Councillor Shanks declared a disclosable pecuniary interest in Item 34, Appropriation of 243 and 245 Preston Road as she lived next door.
- 16.3 Councillor Wakefield declared a disclosable pecuniary interest in Item 31 as a Board Member of Brighton Housing Trust, and in Item 34, Appropriation of 243 and 245 Preston Road as she was a Director of Brighton & Hove Seaside Homes Limited and would therefore not take part in the debate.
- 16.4 Councillor West declared a disclosable pecuniary interest in Item 32, East Sussex, South Downs and Brighton, as he was a Board Member of the South Downs National Park Authority.

(c) Exclusion of Press and Public

- 16.5 The Committee considered whether the press and public should be excluded from the meeting during the consideration of the items listed on Part 2 of the agenda.
- 16.6 Councillor G. Theobald referred to Item 45(A), Supported Bus Services Network – Update which was listed in Part Two of the Addendum to the agenda and queried whether it should be debated in open session in view of the public interest in the matter.

- 16.7 Councillor Mitchell stated that she supported the request to debate the matter in open session and queried whether it should have been possible to have both a part one and a part two report rather than only a part two one.
- 16.8 The Chair stated that his intention was always to be as open and transparent as possible and to enable debate in open session. However, he believed that the information contained in the report related to commercial matters and should remain as a part two item.
- 16.9 The Monitoring Officer informed the Committee that the report detailed a potential error in a contract and was therefore required to be considered in part two of the meeting. It had not been felt possible to produce a part one report that would have enabled the committee to consider the matter fully, however it would be possible to make the outcome of the committee's deliberations public once the item had been considered.
- 16.10 Councillor Peltzer Dunn suggested that having received the information in the report, it would be possible for Members to debate matters in open session without disclosing any confidential information and if necessary continue the debate in a closed session.
- 16.11 The Chair stated that he believed it was more appropriate for the matter to be debated in full in closed session and to agree what information could then be made public. He therefore put the proposal that all items other than Item 45(A) should remain in part two as listed on the agenda, which was agreed. He then proposed that Item 45(A) should remain in part two as listed on the addendum and this was agreed on his casting vote.
- 16.12 **RESOLVED:** That the press and public be excluded from the meeting during consideration of the items listed on Part 2 of the agenda and the addendum.

17. MINUTES

- 17.1 **RESOLVED:** That the minutes of (a) the Special Meeting held on the 30th May, 2012 and the last meeting held on the 14th June, 2012 be approved as a correct record of the proceedings and signed by the Chair.

18. CHAIR'S COMMUNICATIONS

- 18.1 The Chair noted that the meeting was being web cast live and would be capable of repeated viewing and therefore reminded Members of the need to use the microphones.
- 18.2 The Chair stated that he had been pleased to note the Royal Visit of the Earl and Countess of Wessex last week who had come down to support the Royal Pavilion Trust and visit other areas in the city.
- 18.3 The Chair also drew the committee's attention to the consultation taking place on 20mph schemes in residential areas and asked that Members encourage others to take part in what was a significant opportunity to influence how traffic was managed in such areas.

- 18.4 The Chair was pleased to note the joint working that was taking place with Lewes District Council on Housing matters and hoped that the council would see the outcome of this in the near future.
- 18.5 Finally he noted that the Committee would be considering a report on the Council Tax Draft Scheme and stated that he would be making a formal request to the Overview & Scrutiny Committee for a Scrutiny Panel to review this scheme and report back on its proposals so that any recommendations could be taken into consideration prior to the scheme being formally approved by Full Council.

19. CALL OVER

- 19.1 The following items on the agenda were reserved for discussion:

- Item 22 - Targeted Budget Management 2012/13 Month 2
- Item 23 - Budget Update and Budget Process 2013/14
- Item 24 - Council Tax Discounts and Exemptions Reform
- Item 25 - Council Tax Support System – Draft Scheme
- Item 26 - Treasury Management Policy Statement (Incorporating The Annual Investment Strategy) 2011/12 – End of Year Review
- Item 27 - I360 Loan Agreement
- Item 30 - Changing the Age Range of Three Primary Phase Schools in Portslade – Final Decision
- Item 31 - Three Year Strategic Grants 2013-16 Outline Bid Decision Making
- Item 33 - Black Rock – Update Report
- Item 34 - Appropriation of 243 and 245 Preston Road Brighton to the Housing Revenue Account
- Item 38 - Sussex Police and Crime Panel
- Item 41 - I360 Loan Agreement – Exempt Category 3
- Item 42 - 1A Major Close – Exempt Category 3
- Item 43 - Proposed Options for the Provision of 3 Junior Forms Central Hove – Site Acquisition – Exempt Category 3
- Item 44 - Black Rock – Update Report – Exempt Category 3
- Item 45(a) - Supported Bus Service Network – Update - Exempt Category 3
- Item 46 - Part Two Minutes – Exempt Categories 3 and 5.

- 19.2 The Head of Democratic Services confirmed that Items listed above had been reserved for discussion; and that the following reports on the agenda with the recommendations therein had been approved and adopted:

- Item 28 - Annual Performance Update of the Council's Corporate Plan 2011/12
- Item 29 - City Performance Plan 2011/12 Report
- Item 32 - East Sussex, South Downs and Brighton & Hove Waste and Minerals Plan; Request for Delegated Authority to Agree and Consult on Draft Modifications
- Item 35 - 1A Major Close Brighton – Sale
- Item 36 - Procurement of the City Downland Estate Management Consultancy Contract
- Item 37 - Polling Place Review
- Item 39 - Budget & Policy Framework Process

Item 45 - Appointment of Acting Chief Executive – Exempt Category 1.

20. PUBLIC INVOLVEMENT

(a) Petitions

20.1 The Chair noted that there were no petitions due for presentation at the meeting.

(b) Written Questions

20.2 The Chair noted that one written question had been submitted for the meeting, and invited Ms. Connolly to come forward and put her question to the meeting.

20.3 Ms. Connolly thanked the Chair and asked the following question, “Whilst I applaud the council’s vision and initiative in planning for the regeneration of the seafront and the possibility of 160 new jobs, have the council taken into consideration the loss of jobs and businesses that will be lost because of the i360 proposed build?”

20.4 The Chair thanked Ms. Connolly for her question and stated that, “The seafront market was not on council owned land but part of the West Pier Trust’s property. The Council recognised the affect that the development would have to the area and were in discussions with the Trust. He recognised that the regular West Pier temporary market had brought much needed vibrancy and life but it could not stay where it was during the construction period and there was no guarantee at present that it could be relocated without detriment to other business trading on the seafront.”

20.5 Ms. Connolly noted the information and asked the following supplementary question, “Would the council support the market being incorporated into the redevelopment of the surrounding area and would the Leader be willing to meet with the traders to discuss matters?”

20.6 The Chair stated that, “I would be very happy to support the seafront market traders in looking at how they could take advantage any opportunities that arise from the development and to meet with them.”

20.7 The Chair thanked Ms. Connolly for attending the meeting and noted that there were no other questions.

(c) Deputations

20.8 The Chair noted that there were no deputations to be presented at the meeting.

21. MEMBER INVOLVEMENT

21.1 The Chair noted that no there were no petitions to be presented and no items had been submitted for consideration at the meeting by councillors.

22. TARGETED BUDGET MANAGEMENT 2012/13 MONTH 2

22.1 RESOLVED:

- (1) That the forecast outturn position for the General Fund, which is an overspend of £0.522m be noted;
- (2) That the forecast outturn for the Housing Revenue Account (HRA), which is an underspend of £0.204m be noted;
- (3) That the virement within the HRA of £0.558m from capital financing costs to revenue contribution to capital be approved;
- (4) That the forecast outturn position on the capital programme be noted;
- (5) That the following changes to the capital programme be approved:
 - (i) **The budget re-profiling and budget variations as set out in Appendix 2;**
 - (ii) **The carry forward of slippage into the 2013/14 capital programme, to meet on-going commitments on these schemes as set out in Appendix 2.**
 - (iii) The new schemes as set out in Appendix 3.

23. BUDGET UPDATE AND BUDGET PROCESS 2013/14

- 23.1 The Director of Finance introduced the report which outlined the proposed budget process for 2013/14 and the Council decision in February to set the council tax and council budget. She noted that it was intended to repeat aspects of the previous year's consultation process which included Overview & Scrutiny and partner organisations and would cover a two-year budget programme.
- 23.2 Councillor Littman welcomed the report and thanked the officers concerned for their work to date. He stated that the council was facing a number of new as well as continuing pressures, many of which were unlikely to be supported by government funding. He noted that the budget premise was for a Council Tax increase of 3.5% and that many of the neighbouring authorities in the region were facing similar government grant reductions to that of the council.
- 23.3 Councillor G. Theobald questioned the need to identify a possible council tax figure at this stage bearing in mind that the government grant announcement was not made until November. He suggested that it would be better to look at the capacity of the organisation to reduce costs and plan for the grant announcement and therefore he could not support the recommendations.
- 23.4 Councillor Mitchell stated that she was concerned about the level of cuts being imposed by the government and noted that it was usual for the opposition groups to wait until the grant announcement in November before putting forward arguments in relation to the budget. She noted the information and welcomed the intention to follow a similar consultation process to last year.
- 23.5 The Chair stated that he hoped people would engage in the consultation process and that opposition group representatives were welcome to attend various budget review

groups and scrutiny meetings. He believed that it was important to outline the budget proposals at an early stage and to outline the financial position. He then put the recommendations to the vote.

23.6 RESOLVED:

- (1) That the resource and expenditure projections for 2013/14 to 2015/16 set out in paragraph 3.26 be noted;
- (2) That the Directors be instructed to develop budget proposals for 2013/14 on the basis of:
 - a 3.5% council tax increase
 - the principles set out in paragraph 3.35
 - the consultation and engagement approach set out in paragraph 4;
- (3) That the Directors be instructed to develop outline budget proposals for 2014/15 alongside the detailed proposals for 2013/14; and
- (4) That the resource projections for the capital investment programme as shown in appendix 2 to the report be noted.

24. COUNCIL TAX DISCOUNTS AND EXEMPTIONS REFORM

24.1 RESOLVED:

- (1) That the following changes to council tax discounts and exemptions are proposed from 1 April 2013:
 - the removal of the 10% second Homes discount so that all second homes are liable for full council tax
 - the giving of 100% discount on properties undergoing structural work for up to 12 months (or 6 months after the works are completed whichever is the earlier) to replicate the existing Class A exemption;
 - the levying of the maximum allowable premium of 50% on properties that have been empty for more than two years;
- (2) That the issues in relation to discounts that might be applied in the first six months of a property being empty be noted;
- (3) That the proposed approach to consultation be agreed; and
- (4) That a further report be brought back to this Committee on 11th October 2012.

25. COUNCIL TAX SUPPORT SYSTEM - DRAFT SCHEME

- 25.1 The Chair welcomed the report which detailed the requirement for the council to provide its own local Council Tax Benefits system from the 1st April 2013 and the process to enable such provision to be made. He also stated that he would be asking the Overview & Scrutiny Committee to agree to a scrutiny review for this matter. He welcomed the

comments from the CVSF, Fire and Police and recommended that Members refer to appendix 2 to the report as it provided a clear explanation of the position and the draft scheme.

- 25.2 The Director of Finance stated that the provision of such a scheme was complex and it was important to get it right as it would need to be able to provide for those that qualified for support. There would be a full consultation exercise and a further report to the committee and full council in the autumn.
- 25.3 Councillor Littman stated that he wished to thank the officers involved in producing the draft scheme and for their work to date. He noted the positive input from overview & scrutiny on the draft scheme and that neighbouring authorities were as concerned about the extra pressure this placed on families and councils.
- 25.4 Councillor G. Theobald welcomed the report and noted the comments from the Fire Authority and Police. He referred to paragraph 5.1 and the estimated cost of £23.5 and queried whether it would be £24.5m in 2013/14 if the council tax increase was set at 3.5%.
- 25.5 The Chair confirmed that every 1% increase on council tax equated to an extra £1m increase on council tax benefit.
- 25.6 Councillor Mitchell thanked the officers for the report and their work to date and stated that the Labour & Co-operative Group fully supported the principles of the draft scheme and welcomed the consultation process that had taken place and that was planned. She hoped that the draft scheme would be well publicised so that people were made aware of the changes and that support would be available in due course to help those affected.
- 25.7 Councillor Ann Norman welcomed the report and stated that she hoped the scheme would be in place and believed that it would help to bring people back into work and encourage young people to find employment.
- 25.8 Councillor Hamilton welcomed the report but noted that there was a likelihood of another 10,000 households being affected and having to pay council tax who would not have had to previously and therefore would need help with the scheme.
- 25.9 The Chair noted the comments and put the recommendations to the vote.

25.10 RESOLVED;

- (1) That the Government's Statement of Intent be noted;
- (2) That the feedback from the consultation with Major Precepting Authorities be noted;
- (3) That the feedback from the initial consultation with other stakeholders be noted;
- (4) That the Transition Principles and Scheme Principles be agreed as the basis for the draft Scheme as set out in paragraph 3.7 of the report;

- (5) That the draft Brighton & Hove Council Tax Low Income Discount Scheme (the “draft Scheme”) as set out in paragraph 3.8 of the report be agreed;
- (6) That the draft Scheme be published and formal consultation and next steps undertaken as set out in paragraphs 3.11 to 3.18 of the report;
- (7) That the key issues to be raised in response to the government’s consultation on funding arrangements, as set out in paragraph 3.19 of the report, be agreed;
- (8) That the Director of Finance be authorised to (a) settle the final draft of the Scheme for publication, the detailed arrangements for formal consultation, and the response to the government’s consultation on funding arrangements and (b) take any other steps considered necessary for progressing the proposed Scheme;
- (9) That the final proposed Scheme be brought back to Policy & Resources Committee and Full Council in October 2012.

26. TREASURY MANAGEMENT POLICY STATEMENT (INCORPORATING THE ANNUAL INVESTMENT STRATEGY) 2011/12 - END OF YEAR REVIEW

- 26.1 The Director of Finance introduced the report and noted that there were three key issues in relation to the report concerning the end of year review for 2011/12, alternative investment options and the investment strategy which would be reported to full council for approval.
- 26.2 Councillor Littman welcomed the report and stated that he wished to thank the officers concerned for such a comprehensive report and their work during such uncertain times for financial institutions.
- 26.3 Councillor Ann Norman also welcomed the report and noted that officers provided an excellent service and managed the council’s finances to a high standard, noting that they had withdrawn funds from Icelandic banks just prior to the crash. She also noted the ethical investments and welcomed the fact that the council was still investing in Barclays.
- 26.4 Councillor Mitchell stated that she wished to thank the officers for their work and for the report and noted that as it was going to full council the Labour & Co-operative Members would be abstaining from the vote at the present meeting.
- 26.5 The Chair noted the comments and put the recommendations to the vote.

26.6 RESOLVED:

- (1) That the action taken during the second half year to meet the treasury management policy statement and practices (including the annual investment strategy) be endorsed;
- (2) That it be noted that the maximum indicator for risk agreed at 0.05% has not been exceeded;

- (3) That it be noted the authorised limit and operational boundary set by the Council has not been exceeded;
- (4) That the change in the Annual Investment Strategy 2012-13 as set out in paragraph 4.11 of the report be agreed and recommended to full Council on 19th July 2012 for approval.

27. I360 LOAN AGREEMENT

- 27.1 The Strategic Director; Place introduced the report which followed on from a previous report to the Cabinet in May and following a due diligence process, proposed that a loan be made to the Development Company to help fund the cost of the i-360. He noted that further financial and commercial details were contained in the part two report, Item No.41 and recommended that proposed loan be approved.
- 27.2 The Chair welcomed the report and stated that he believed it was a very good project and one that would bring benefits and help to regenerate the area. He was aware that local traders and businesses were supportive and felt that it would be a unique focal point for the city.
- 27.3 Councillor G. Theobald stated that the Conservative Group fully supported the project and hoped that it would lead to extra employment and the regeneration of the seafront.
- 27.4 Councillor Mitchell stated that the Labour & Co-operative Group also supported the scheme and believed it would be the catalyst for the regeneration of the area and would encourage more visitors to the city. Her only concern that remained was in regard to transport links and how additional traffic would be accommodated.
- 27.5 Councillor West stated that he wished to thank the officers involved in project and also to point out the role that the previous Leader of the Council and current Leader had had in bringing the development forward. The potential benefits to the city were enormous and it would see the creation of a world-class icon that would put the city on the map. He acknowledged there was a need to look at the transport issue and hoped that it might lead to the development of a rapid transport system for the city.
- 27.6 Councillor Hamilton welcomed the report and stated that he felt it was important to noted that the loan from the council was not council tax payers' money, but a means whereby the council could loan funds to the developer and secure the project.
- 27.7 The Chair noted the comments and also welcomed the lead partners from Marks Barfield to the meeting. He also drew the committee's attention to appendices 5 and 6 to the report, which provided a lot of detail about how and why the project should be supported. He also noted that it was supported by the Local Enterprise Partnership which had also agreed to provide a loan of £3m to the Developer. He then put the recommendations to the vote.

27.8 RESOLVED:

- (1) That the structure and terms of the loan that have been agreed to date as set out in paragraphs: 4.2, 4.3, 4.7 and 4.8 of the report be noted;
- (2) That the Director of Finance and Strategic Director; Place, after consultation with the Chair of Policy & Resources Committee be authorised to finalise terms and enter into the proposed loan agreement with Brighton i360 Ltd with a target of financial close by mid September 2012 and to take all steps necessary or incidental to the completion and implementation of the agreement;
- (3) That the Head of Legal and Democratic Services be authorised to complete all necessary documentation and take all necessary action to effect completion of the proposed loan; and
- (4) That the inclusion of the commercial loan to Brighton i360 Ltd in the Capital Resources and Capital Investment Programme 2012/13 (and the following two years' capital programmes) to be funded through unsupported borrowing be approved.

28. ANNUAL PERFORMANCE UPDATE OF THE COUNCIL'S CORPORATE PLAN 2011/12**28.1 RESOLVED:**

- (1) That the progress made against the performance measures ('Measures of Success') in the Corporate Plan, set out in Appendix 1 to the report be noted; and
- (2) That the annual performance report be referred to Full Council for approval, along with the June 2012 update report on Corporate Plan commitments.

29. CITY PERFORMANCE PLAN 2011/12 REPORT**29.1 RESOLVED:**

- (1) That the areas of good progress made in the City Performance Plan (CPP) progress report in Appendix 2 and the Performance Indicators Headline report Appendix 1 be noted;
- (2) That the future activity, but also barriers outlined in the CPP report Appendix 2 in areas of concern be noted;
- (3) That the Strategic Leadership Team be requested to use the resources at their disposal, including officers in the local authority and thematic partnerships to maintain progress and tackle issues of concern highlighted in the CPP; and
- (4) That the plan be recommended to full Council for Approval.

30. CHANGING THE AGE RANGE OF THREE PRIMARY PHASE SCHOOLS IN PORTSLADE – FINAL DECISION

- 30.1 The Strategic Director; People introduced the report which detailed the proposed expansion of school places in three schools in Portslade which would enable the creation of all-through primary schools. There had been an extensive consultation process and no objections had been received and it was therefore proposed, subject to full council approval, to implement the changes in September 2013.
- 30.2 The Chair welcomed the report and stated that he wished to thank the officers concerned for all their work in bringing this matter to fruition.
- 30.3 Councillor Shanks echoed the Chair's comments and stated that she was aware that both schools and parents welcomed the changes.
- 30.4 Councillor Hamilton stated that as a Ward Councillor he was very pleased with the outcome and believed it was the right way forward for the schools in Portslade.

30.5 RESOLVED:

- (1) That the decision to proceed with each of the three proposals be endorsed; and
- (2) That the Council at its meeting on the 19th July 2012 be recommended to confirm the statutory notices and resolve to change the age range to allow for an additional junior form of entry and expand the premises of St Peter's Community Infant School, Portslade Infant School and St Nicolas Voluntary Aided Church of England Junior School from September 2013.

31. THREE YEAR STRATEGIC GRANTS 2013-16 OUTLINE BID DECISION MAKING

- 31.1 The Strategic Director; Communities introduced the report which sought approval for the process for invitation to Full Bid Stage for applications for Three Year Strategic Grant funding 2013-16 from community groups, voluntary organisations, and not-for-profit social enterprise.
- 31.2 Councillor Hamilton stated that he wished to congratulate the officers on all their hard work in bringing the bidding process forward and hoped that as many groups as possible could be supported.
- 31.3 The Chair welcomed the report and thanked the officers and the Members Advisory Group for their work in bringing the report forward. He also noted that the unsuccessful bidders would be encouraged to look at other avenues of support. He then put the recommendations to the vote.

31.4 RESOLVED:

- (1) That the recommended 80 applicants be invited to Full Bid Stage for Three Year Strategic Grants 2013-16; and

- (2) That the recommended alternative support package where appropriate for the 23 applicants not invited to Full Bid stage be approved.

32. EAST SUSSEX, SOUTH DOWNS AND BRIGHTON & HOVE WASTE AND MINERALS PLAN; REQUEST FOR DELEGATED AUTHORITY TO AGREE AND CONSULT ON DRAFT MODIFICATIONS

32.1 RESOLVED:

- (1) That the analysis of the representations made on the submitted Waste and Minerals Plan be noted;
- (2) That the Strategic Director; Place be authorised, in conjunction with East Sussex County Council and the South Downs National Park Authority, to agree any draft “main modifications” to the Waste and Minerals Plan necessary to make it sound and to authorise the publication of such draft modifications for public consultation save that should any draft modification involve a major shift in the policy approach of the Waste and Minerals Plan the draft modification shall be referred by the Strategic Director of Place to the Policy and Resources Committee for approval; and
- (3) That it be noted that all modifications to the Plan will ultimately be presented to the Policy & Resources Committee and Full Council in due course as part of the adoption of the Waste and Minerals Plan.

33. BLACK ROCK - UPDATE REPORT

- 33.1 The Strategic Director; Place introduced the report which detailed the proposed termination of the development agreement with BAL in relation to the Black Rock site. He stated that the site had remained unused since 2007 and that the developer had been unable to bring forward a scheme for the site that had been acceptable. A revised scheme had been proposed in May, which the cross-party Project Board had considered and felt was not appropriate or in-line with the development brief and therefore had recommended that the agreement be terminated and the site re-marketed. He also noted that there was a part two report on the matter, listed as item 44 and detailed the contractual information in relation to the development agreement.
- 33.2 The Chair stated that he wished to thank the Project Board for their work to date on the scheme and that in view of the position that had been reached, the recommendation to terminate the agreement and re-market the site should be accepted. It was one of the major sites in the city and there was a real need to take positive action. He also noted that consideration should be given to temporary use of the site prior to any new development agreement being reached.
- 33.3 Councillor G. Theobald stated that he fully supported the recommendations and hoped that a temporary use could be found in the meantime. He also suggested that consideration be given to extending the link for the Volks Railway as a means enabling people to get to and from the area.

33.4 Councillor Mitchell stated that she supported the recommendations as the site had remained empty for too long and she hoped that the council would take the opportunity to get things right for the future of the site and the benefit of the city. She also hoped that the transport links would be taken into consideration.

33.5 The Chair noted the comments and put the recommendations to the vote.

33.6 RESOLVED:

- (1) That the revised proposals submitted by Brighton Arena Limited "BAL" relating to the Black Rock site (see Appendix 2 "the Site") be rejected;
- (2) That the Site will be subject to a fresh procurement and re-marketing exercise;
- (3) That it be agreed the future strategy for the re-marketing of the Site should be worked up in conjunction with the cross party Project Board, including future possible uses on the Site (including an ice rink) being feasibility tested and subject to soft market testing, prior to the council returning to the market;
- (4) That in the interim period, it be agreed that the Site should be marketed forthwith for a temporary use to ensure that the overall appearance of the Site can be improved and the Site can be used productively until the outcome of a full procurement exercise is known;
- (5) That any temporary use of the Site is to be agreed by the Economic Development & Culture Committee, who shall take into account the recommendations of the Project Board when referring any proposed temporary disposal to Policy & Resources Committee;
- (6) That it be noted that in regard to the rejection of BAL's revised proposals in (1) above, the Development Agreement with BAL would automatically terminate on 31st July 2012.

34. APPROPRIATION OF 243 AND 245 PRESTON ROAD BRIGHTON TO THE HOUSING REVENUE ACCOUNT

34.1 The Strategic Director; Place introduced the report and stated that the properties had been acquired in the 1950's and recently identified to be transferred to Brighton & Hove Seaside Homes Ltd. However, on review it had been found that they came under the General Fund and therefore it was proposed that they be placed under the Housing Revenue Account (HRA) prior to being transferred.

34.2 Councillor Peltzer Dunn stated that he supported the proposed transfer to the HRA but sought clarification with regard to the land to the rear of the properties and its potential redevelopment prior to it being placed with Brighton & Hove Seaside Homes Ltd.

34.3 The Strategic Director; Place confirmed that there was an intention to redevelop the site to the rear of the properties and stated that he would provide Councillor Peltzer Dunn with further information following the meeting.

34.4 The Chair noted the comments and put the recommendations to the vote.

34.5 RESOLVED:

- (1) That the appropriation of the 19 dwellings comprising 15 flats and four bungalow units and the land at 243 and 245 Preston Road, Brighton to the council's Housing Revenue Account be agreed; and
- (2) That the earlier Cabinet and Council decisions to lease dwellings at these properties to Brighton & Hove Seaside Community Homes as part of the LDV project in September and October 2008 be noted.

35. 1A MAJOR CLOSE BRIGHTON - SALE

35.1 RESOLVED:

- (1) That the freehold sale to the YMCA at the negotiated price be approved; and
- (2) That should the sale to the YMCA not proceed the marketing and sale by auction or other method by an appointed agent be approved.

36. PROCUREMENT OF THE CITY DOWNLAND ESTATE MANAGEMENT CONSULTANCY CONTRACT

36.1 RESOLVED:

- (1) That the retendering of the Estate Management consultancy service for the City Downland Estate for a 5 year period, with an option for up to a 2 year extension be agreed;
- (2) That the granting of delegated powers to the Strategic Director; Resources in consultation with the Leader, Chair of Policy & Resources Committee to, (a) award the contract following the recommendations of the evaluation panel and the results of the tendering process and (b) approve an extension to the contract if required dependent on performance be agreed; and
- (3) That the timetable and process, as set out in Paragraph 3.8 and Appendix 1 of the report be agreed.

37. POLLING PLACE REVIEW

37.1 RESOLVED:

- (1) That the polling place for DV, East Brighton Ward, be changed from St Mark's CE Primary School to the Manor Gym;
- (2) That the polling place for PX, Hangleton & Knoll Ward, be changed from West Blatchington Primary School to the Hangleton Community Centre;

- (3) That Cottesmore St Mary's RC Primary School be retained as the polling place for NY/OZ, Hove Park and Goldsmid Wards, in the absence of any suitable alternative;
- (4) That the Clarendon Centre be used as a polling place for KS, St Peter's & North Laine Ward, instead of the Friends Centre or St Bartholomew's CE School;
- (5) That the Pavilion at Aldrington Recreation Ground, Wish Road, be used as a double polling station for the voters for SW and SX, Wish Ward, due to the unavailability of the Saxon Road Pavilion;
- (6) That the polling place for IY, Withdean Ward, be changed from Balfour Primary School to Dorothy Stringer High School;
- (7) That the Electoral Services Manager, on behalf of the Returning Officer and Electoral Registration Officer, be authorised to take the measures, as required by law, to bring the changes into effect; and
- (8) That the Returning Officer (the Chief Executive), be granted delegated authority following consultation with the Group Leaders and respective ward councillors, the designation of alternative polling places in the event of any polling place not being available at any particular election.

38. SUSSEX POLICE AND CRIME PANEL

- 38.1 The Strategic Director; Communities introduced the report and stated that there were two key issues for the Committee to consider; these being the approval of the proposed Constitution for the Police & Crime Panel (PCP), and the agreement to the proposed nominees for Brighton & Hove to the PCP. He stated that the principal role of the PCP would be to scrutinise the work of the new Police Commissioner, who was due to be elected in November. He noted that officers had made representations to colleagues from the other constituent authorities for Brighton & Hove to be able to nominate to one of the 3 additional co-optees' places on the PCP, in view of the Authority's position in the County and this had been accepted. It was therefore recommended that based on the proportionality rules that Councillor Duncan be nominated as the Council's representative on the PCP and that Councillor Morgan be nominated as the co-optee representative.
- 38.2 The Strategic Director also reported that officers had expressed the need to address the demographic profile of the city and to account for this as part of an Equalities Impact Assessment, however; the PCP had chosen not to take on board the action points at this point in time. He suggested that this was something that would need to be continually raised and further representations made in due course.
- 38.3 The Chair expressed his concerns with regard to the process for the appointment of the Police Commissioner and thanked the officers and Councillor Duncan for their work in securing a further place for the authority on the PCP.
- 38.4 Councillor Mitchell stated that she also had concerns with regard to the concept of a Police Commissioner and their role within the county. She also wished to thank the officers involved for their work to date and hoped that the council's Members on the

PCP would be able to raise the need to reflect the true diversity of communities across the county. There was also a need to hold the Commissioner to account and she hoped that this would be effective. In the meantime she wished to put forward Councillor Robins as the nominated substitute for Councillor Morgan.

38.5 The Chair noted the comments and put the recommendations to the vote.

38.6 **RESOLVED:**

- (1) That Councillor Ben Duncan (1) be nominated as the Brighton & Hove councillor to serve on the Sussex Police and Crime Panel (PCP) from the formal constitution of the Panel and (2) be appointed to the Panel if he accepts nomination and that Councillor Matt Follett be nominated as the named substitute for the PCP;
- (2) That Councillor Warren Morgan (1) be nominated as the Brighton & Hove co-opted member to serve on the Sussex PCP, as stipulated in paragraph 14a of the PCP constitution (Annex 3), and (2) be appointed to the PCP subject to ratification at the first meeting of the PCP; and that Councillor Alan Robins be nominate as the named substitute for Cllr Morgan;
- (3) That the proposed PCP constitution and panel arrangements as set out in Annex 3 of the report be ratified;
- (4) That in addition to the Policy and Resources Committee, the Chief Executive be given full delegated power to exercise the Council's functions in relation to the establishment and maintenance of the Sussex PCP;
- (5) That the Committee note ongoing concerns regarding PCP equality and operational issues as set out in paragraphs 4.8 to 4.10 of the report and mandate nominated Members to address these during future PCP meetings.

39. **BUDGET & POLICY FRAMEWORK PROCESS**

- 39.1 **RESOLVED:** That the proposed process for approving the Budget and Policy Framework and other items reserved to Council as set out in the attached tables A and B to the report be agreed.

40. **ITEMS REFERRED FOR COUNCIL**

- 40.1 Councillor Mitchell requested that following consideration of the items in part two of the meeting, Item 45(a) be referred to the next council meeting for information.

PART TWO SUMMARY

41. **I360 LOAN AGREEMENT - EXEMPT CATEGORY 3**

- 41.1 **RESOLVED:** That the report be noted.

42. 1A MAJOR CLOSE - EXEMPT CATEGORY 3

42.1 **RESOLVED:** That the recommendations contained in the report be approved.

43. PROPOSED OPTIONS FOR THE PROVISION OF 3 JUNIOR FORMS CENTRAL HOVE - SITE ACQUISITION - EXEMPT CATEGORY 3

43.1 **RESOLVED:** The recommendations contained in the report be approved.

44. BLACK ROCK - UPDATE REPORT - EXEMPT CATEGORY 3

44.1 **RESOLVED:** That the report be noted.

45. APPOINTMENT OF CHIEF EXECUTIVE - EXEMPT CATEGORY 1**45.1 RESOLVED:**

- (1) That the appointment of Catherine Vaughan, to be the Acting Chief Executive and Head of Paid Service for the Council pending the appointment of a permanent Chief executive be approved;
- (2) That the appointment be on a salary of £140,000 per annum and that the appointment takes effect from date of the termination of contract of employment of the current Chief Executive.

45(A) SUPPORTED BUS SERVICES NETWORK - UPDATE - EXEMPT CATEGORY 3

45.2 **RESOLVED:** That the recommendations contained in the report be agreed.

Note: The above item was taken with the agreement of the Chair as a matter of urgency as information had come to light in regard to the proposed award of a contract in relation to the Supported Bus Services Network, which had also meant that the item and report had not been included on the agenda or available at the time of despatch.

46. PART TWO MINUTES - EXEMPT CATEGORIES 3 AND 5

46.1 **RESOLVED:** That the minutes of (a) the Special Meeting held on the 30th May and (b) the last meeting held on the 14th June, 2012 be approved as a correct record of the proceedings and signed by the Chair.

47. PART TWO PROCEEDINGS

47.1 The Chair proposed that Item 45 and the decisions thereon should be made public and form an open report to the Council meeting on the 19th July, 2012. He also suggested that Items 41 to 44 and 46 should remain exempt from disclosure, as well as the urgent report Item 45(A), although he acknowledged that the outcomes would need to be discussed with the affected bus companies and made public.

47.2 Councillor Mitchell asked that the report for Item 45(A) be referred to the council meeting for information and that a part one report be drafted so that aspects could be debated in open session at the council meeting.

47.3 The Director of Finance and the Monitoring Officer informed the committee that they would prepare a document for publication having informed the bus operators of the outcome of the decisions taken under Item 45(A) and that a part one report would also be provided for the council meeting subject to the agreement of the Mayor.

47.4 **RESOLVED:**

- (1) That Items 41, 42, 43, 44, 45(A) and 46 and the decisions thereon remain exempt from disclosure to the press and public.
- (2) That Item 45(A) and the decisions thereon be made public and that an urgent part one report on the Supported Bus Service Network be prepared for the Council meeting on the 19th July subject to the Mayor's agreement.

The meeting concluded at 6.50pm

Signed

Chair

Dated this

day of 2012

BRIGHTON & HOVE CITY COUNCIL
SPECIAL POLICY & RESOURCES COMMITTEE

4.00pm 6 SEPTEMBER 2012

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

Present: Councillor J Kitcat (Chair); Councillors G Theobald (Opposition Spokesperson), Hamilton, Jarrett, Mac Cafferty, Mitchell (Opposition Spokesperson), A Norman, Peltzer Dunn, Shanks and Wakefield.

Other Members present: Councillor Mears.

PART ONE

1. PROCEDURAL BUSINESS

(a) Declarations of Substitutes

- 1.1 Councillors Jarrett and Mac Cafferty declared that they were attending as Substitutes for Councillors West and Littman respectively.

(b) Declarations of Interest

- 1.2 There were no declarations of interest.

(c) Exclusion of Press and Public

- 1.3 The Committee considered whether the press and public should be excluded from the meeting during the consideration of the item listed on Part 2 of the agenda.
- 1.4 **RESOLVED:** That the press and public be excluded from the meeting during consideration of the item listed on Part 2 of the agenda.

2. CHAIR'S COMMUNICATIONS

- 2.1 The Chair welcomed everyone to the meeting which had been called in order to give consideration to the Acting Chief Executive's proposals for interim changes to the senior officer structure of the council and further information in regard to supported bus routes.

3. PUBLIC INVOLVEMENT

- 3.1 The Chair noted that there were no items raised by the public in relation to the items listed on the agenda for the meeting.

4. SENIOR OFFICERS STRUCTURE

- 4.1 The Acting Chief Executive introduced the report which outlined various changes to the senior officer structure of the council to take account of the fact that a new Chief Executive was being sought and the resignations of three Strategic Directors. She explained that it was necessary to put interim measures in place in order to enable the business of the authority to be managed effectively and allow for the recruitment process to be completed for the new Chief Executive. She also stated that she had been mindful of the budgetary position, the national situation and the need for the new Chief Executive to be able to formulate the operation of the organisation once they were in place. A consultation exercise with staff and the trade unions had been held and a further consultation process was to be undertaken in relation to the proposals affecting the service provision for Place.
- 4.2 The Chair welcomed the report and thanked the Acting Chief Executive for her work and also thanked those officers who were leaving for their services during their time with the Authority.
- 4.3 Councillor G. Theobald stated that the Conservative Group fully supported the proposals contained within the report and thanked the Acting Chief Executive for her work in this regard. He was also aware of the changes proposed in relation to Place and wished to thank the Strategic Director for his support, although he did have some concern in regard to the extensive remit that now came under the Strategic Director's responsibilities. He also suggested that for any future re-organisation it would be worthwhile having consideration for the appointment of a Director of Property or their equivalent as this was an important remit for the organisation.
- 4.4 Councillor Mitchell thanked the Acting chief Executive for her report which was supported by the Labour & Co-operative Group, and also wished to thank the officers who were leaving for their support and work during their time with the council. She also felt that the proposals struck a good balance in terms of service provision and areas of responsibility and stated that she would be looking carefully at the future recruitment process in relation to the budgetary position that had been agreed. She also asked that further information on the recruitment process be provided to either the Audit & Standards Committee or this committee in due course.
- 4.5 Councillor Peltzer Dunn welcomed the report and stated that he hoped it would be used as a model for all future reports.
- 4.6 Councillor A. Norman welcomed the report and stated that her only concern was the need to ensure that necessary support arrangements were available to those senior officers who would be taking on a wider level of responsibility in the interim period.

4.7 The Chair welcomed the comments and stated that he believed appropriate arrangements would be in place to support staff and ensure that service provision was maintained. He then moved that the recommendations be agreed.

4.8 **RESOLVED:**

- (1) That the departure of the Chief Executive and 3 Strategic Directors in the coming weeks and the appointment of Catherine Vaughan as Acting Chief Executive with effect from the 10th September, 2012 be noted;
- (2) That the need to make changes to the officer structure be noted and the general approach set out in the report, which seeks to balance the need for making changes now, with the need not to unduly fetter the discretion of the incoming permanent Chief Executive, be agreed;
- (3) That subject to (4) below, the proposed changes set out in Appendix 1 and the changes to the Scheme of Delegations set out in Appendix 2 to the report be agreed;
- (4) That the proposed changes set out in Appendices 1 and 2 be agreed in principle, as they relate to the 5 proposed service areas under the Strategic Director; Place, (Housing; Transport; Planning and Public Protection; City Clean and City Parks; Economic Development, Regeneration, Major Projects and Sustainability); and that the Acting Chief Executive be authorised to implement the proposals, subject to any modifications as she considers necessary, following the completion of the consultation process;
- (5) That the transitional arrangements regarding financial management, performance monitoring and budgetary process set out in the financial implications paragraph of the report be agreed;
- (6) That the Acting Chief Executive be authorised to take all steps necessary or incidental to the implementation of the proposals as set out in the report, including the power to make any transitional arrangements she considers necessary;
- (7) That the Monitoring Officer be authorised to make amendments to the relevant parts of the Constitution to reflect the changes resulting from the foregoing paragraphs and make any necessary consequential amendments;
- (8) That it be agreed that the changes come into force on the 10th September, 2012, subject to any transitional arrangements and modifications referred to in paragraphs (5) and (6) above and subject to paragraph (9) below; and
- (9) That to the extent that any proposals involve changes to functions currently carried out by the Strategic Director; People, they shall not come into effect until the new Interim Director of Children's Services takes office and any changes relating to the proposed Place functions shall come into force on the 1st October, 2012 or after completion of the consultation process, whichever is later.

5. SUPPORTED BUS ROUTES

- 5.1 The Strategic Director; Place introduced the report and stated that it outlined the various responses to the resolutions that were approved by the Full Council at its last meeting in July. He also noted that due to the sensitivity of some of the contractual information, a similar report had been produced which would need to be considered in part two of the meeting.
- 5.2 Councillor Mitchell noted the report and stated that it had been a long journey to reach the position that existed today. She noted that various routes had now been retained and that the two school routes, No's 74 and 96 would continue for a further year. However, it appeared that the No.52 remained truncated and that the residents of Ovingdean remained without a direct service to meet their needs. She accepted that they could change at the Marina in order to pick up the Compass service, but questioned whether this would meet their needs and therefore could not support the resultant position as outlined in the report. She also referred to the paragraphs at the bottom of page 3 and queried how it would work and the top of page 4 and stated that it was a shame to find that the Government had chosen not to support mandatory operational cross-ticketing for bus services. She suggested that it was something that should be aimed for in view of the technological advances that were being made. She also queried why it was that parents were being asked to meet an extra £8.00 a week cost for the purchase of tickets on the No. 74 and 96 services to enable their children to get to and from school. They had previously been able to purchase Saver tickets which enabled their children to get into school early or from school having attended after-school clubs, as well as at the usual time, but now had to purchase a ticket from the council for the normal school-run service.
- 5.3 The Chair stated that having undertaken the procurement process, it had enabled both the council and the bus companies to identify those routes that the bus companies were able to continue to operate without a subsidy. In regard to the school bus services, it had been made clear in January that a review was required and that it could lead to services being provided in a different way. The charge of £8.00 per week was paid direct to the council for the cost of the service to enable children to get to and from school, rather than it being paid to the bus company. He agreed that operation cross-ticketing should be mandatory and noted that information held by the current 'smart' card operated by Brighton & Hove Bus Company could be made available to others but that the company chose not to do so.
- 5.4 Councillor Shanks noted that children could use their ID card to get cheaper fares and that they did not necessarily need to have a Saver ticket. She also noted that a number of children using the No. 74 and 96 services would be eligible for the scholar pass and therefore would not have to pay the additional £8.00 a week.
- 5.5 Councillor Mitchell queried whether the parents of the children who used either of the services had been consulted on the additional charge and suggested that they were effectively being charged twice.
- 5.6 Councillor G. Theobald stated that he felt parents been treated unreasonably in that they had been led to believe the two routes would continue for another year and yet they now found they were expected to meet an additional cost. He was also concerned

about the No. 52 route and the fact that due to time-tabling changes, residents were unable to get to the station and commute to London. It appeared that there was no link-up at the Marina with other services and he asked if the situation could be reviewed or the time-table changed to ensure that the previous early services were re-introduced.

- 5.7 Councillor Mears stated that she believed the residents of Ovingdean had been disregarded and were now the only community to not have a direct route into the city or the station. She believed that they had been unfairly penalised and were being forced to take alternative transport in order to get to work, get their children to school and get into the city. She did not believe that people would want to have to change at the Marina and questioned why they would want to wait for a change especially in the winter months. She believed that there had not been sufficient consideration to the needs of residents in Ovingdean and hoped that something could be done to help.
- 5.8 Councillor A. Norman stated that she wished to thank the Strategic Director and the officers for their work and in bringing the report forward. However, she was concerned about the No. 96 route and noted that whilst viable options to support the route had been put forward previously they had not been accepted and the report lacked information on how this route would operate. She was concerned that most young people would already have a saver ticket to enable them to travel around the city and were now being asked to find an additional £8 a week to get to and from their school. She also noted that parents had been told the service would be kept as long as it was needed and yet they now faced an additional cost, which for some families would not be afforded and added further pressure on them. In view of the small amount of income that would be generated from the £8 a week charge she queried whether such a relatively small amount could not be covered by the council instead and asked for confirmation as to when parents were informed of the additional cost that was to be made.
- 5.9 The Lead Commissioner for City Regulation & Infrastructure stated that the through-ticketing agreement should provide for a wider choice and greater flexibility to enable travellers to get to their destinations. He stated that there was now an overlap between the No.47 and No.52 services and this provided more options. He suggested that officers could meet with Councillor Theobald to look at the time-tabling variations and identify how they could be utilised to meet the needs of commuters.
- 5.10 Councillor Hamilton noted that the annual saver ticket could still be used on some school routes and suggested that this should be explained as it was strange that only the No's. 96 and 74 were singled out in this way. He also queried whether the consideration had been given to the nature of the No. 47 and 57 routes which covered East Saltdean and whether they could have been combined to save costs and enable a direct No.52 service to be maintained.
- 5.11 Councillor Peltzer Dunn asked if the number of children affected on the two routes could be confirmed.
- 5.12 The Chair noted that saver tickets could be used on other routes and that it was only the No. 74 and 96 where the additional charge was being made. However, it was necessary in order to ensure that the routes were retained and stated that he would

provide a written answer in regard to when parents were informed of the intention to make the charge.

- 5.13 The Lead Commissioner for City Regulation & Infrastructure stated that the No. 47 and 57 routes had been listed as separate routes within the contract documents and therefore could not have been regarded as a single operating route as part of the tender process.
- 5.14 Councillor Shanks stated that she was not able to confirm the number of children affected on the two routes, but would do so in writing and noted that there had been around 35 last year using them. She also noted that the £8 a week was effectively only an extra cost if a saver ticket was also purchased.
- 5.15 Councillor Peltzer Dunn suggested that based on the information provided at the meeting the total cost to the council would be approximately £9,600 if the cost of all the children using the two routes was to be met by the council. He suggested that it should be possible for the Authority to find the necessary resources to meet the cost for a year.
- 5.16 Councillor Jarrett stated that he believed the procurement process had been effective and had enabled the authority to reduce its subsidies as routes had been identified which the bus companies would continue to run even without a subsidy. The difficulty caused with the No.52 and for residents in Ovingdean was the outcome of the process and not through choice but rather based on a financial basis.
- 5.17 Councillor Shanks noted that the original intention had been not to run the No. 74 and 96 routes but having taken account of the views of residents and the petition, and in reviewing the process these had been included and parents had been informed that a charge may also be required to enable the routes to be maintained.
- 5.18 Councillor G. Theobald queried whether the time-tabling of routes could be looked at again or altered.
- 5.19 The Lead Commissioner for City Regulation & Infrastructure stated that it was not possible to revisit the time-tabling of routes as this had had to be submitted to the Traffic Commissioner and published. However, discussions could be held with the bus companies and any changes agreed and then raised with the Commissioner to see if a revised time table could be approved.
- 5.20 The Chair noted the comments and put the recommendation to note the report to the vote, which was carried with his casting vote.
- 5.21 **RESOLVED:** That the action taken by officers as detailed in the report following the resolutions approved at the Full Council meeting on the 19th July 2012 be noted.

6. ITEMS REFERRED FOR COUNCIL

- 6.1 **RESOLVED:** That Items 4, 5 and 8 be referred to the Council meeting on the 25th October, 2012 for information.

PART TWO SUMMARY

7. SUPPORTED BUS ROUTES – EXEMPT CATEGORY 3

- 7.1 **RESOLVED:** That the action taken by officers as detailed in the report following the resolutions approved at the Full Council meeting on the 19th July 2012 be noted.

8. PART TWO PROCEEDINGS

- 8.1 The Committee considered whether Item 7 and the decision thereon should remain exempt from disclosure to the press and public.
- 8.2 **RESOLVED:** That Item 7 remain exempt from disclosure to the press and public.

The meeting concluded at 5.15pm

Signed

Chair

Dated this

day of 2012

Ms Catherine Vaughan
Acting Chief Executive
Brighton & Hove City Council

18th September 2012

Dear Catherine,

Request for review of political balance of council committees

I would request that this letter is placed on the agenda of the Policy and Resources Committee for its meeting on 11th October 2012.

Given that the Green Group of Councillors has voted by a majority to remove one of its members and has submitted the necessary notification to you, I am requesting that a review of the political balance of each of the council's committees is undertaken with a report to the next full council meeting on the outcome.

The Green Administration have taken the recent steps to remove a member from their group in the full knowledge of the implications that this may have for the political balance of decision making on council committees and it is important for all councillors to have full knowledge of the facts and to be able to take a decision on any new configuration of committee places.

Yours sincerely,

Councillor Gill Mitchell
Leader of the Labour & Co-operative Group

NOTICE OF MOTION

CONSERVATIVE GROUP

Review of Committee Seat Allocation

“This Committee notes the decision taken by the Green Group of councillors on 17th September 2012 to expel one of its members. This decision reduces the size of the Green Group from 23 to 22 out of the 54 Members on the Council.

This Committee further notes the powers contained in Procedure Rule 18.7 of the Council’s Constitution which requires the Chief Executive to recalculate the allocation of seats between political groups on the Council whenever the Council or Committee resolves to carry out such a review.

Therefore, this Committee resolves to request the Acting Chief Executive to carry out a review of the allocation of seats between political groups on the Council and to bring a report on the outcome of said review to the Full Council meeting on 25th October for decision.”

Proposed by: Cllr. G. Theobald

Seconded by: Cllr. Peltzer Dunn

POLICY & RESOURCES COMMITTEE

11 October 2012

Agenda Item 54

Brighton & Hove City Council

Subject:		Targeted Budget Management (TBM) 2012/13 Month 5	
Date of Meeting:		11th October 2012	
Report of:		Acting Director of Finance	
Contact Officer:	Name:	Jeff Coates	Tel: 29-2364
	Email:	Jeff.coates@brighton-hove.gov.uk	
Key Decision:	No		
Ward(s) affected:	All		

FOR GENERAL RELEASE

1 SUMMARY AND POLICY CONTEXT:

- 1.1 The Targeted Budget Monitoring (TBM) report is a key component of the council's overall performance monitoring and control framework. This report sets out the forecast outturn position as at Month 5 on the council's revenue and capital budgets for the financial year 2012/13.

2 RECOMMENDATIONS:

- 2.1 That the Committee note the forecast outturn position for the General Fund, which is an underspend of £1.453m.
- 2.2 That the Committee note the forecast outturn for the Housing Revenue Account (HRA), which is an underspend of £0.720m.
- 2.3 That the Committee note the forecast outturn position on the capital programme.
- 2.4 That the Committee approve the following changes to the capital programme:
- i) The budget re-profiling and budget variations as set out in Appendix 2;
 - ii) The carry forward of slippage into the 2013/14 capital programme, to meet on-going commitments on these schemes as set out in Appendix 2.
 - iii) The new schemes as set out in Appendix 3.
 - iv) That the Committee grants delegated authority to the Acting Director of Finance to approve, following consultation with the Chair of the Policy & Resources Committee, the purchase and installation of new cremators and additional mercury abatement plant up to a value of £1.806m procured directly through an OJEU compliant route.
- 2.5 That the Committee note the carbon budgets update as set out in Appendix 5.

3 RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

Targeted Budget Management (TBM) Reporting Framework

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

General Fund Revenue Budget Performance (Appendix 1)

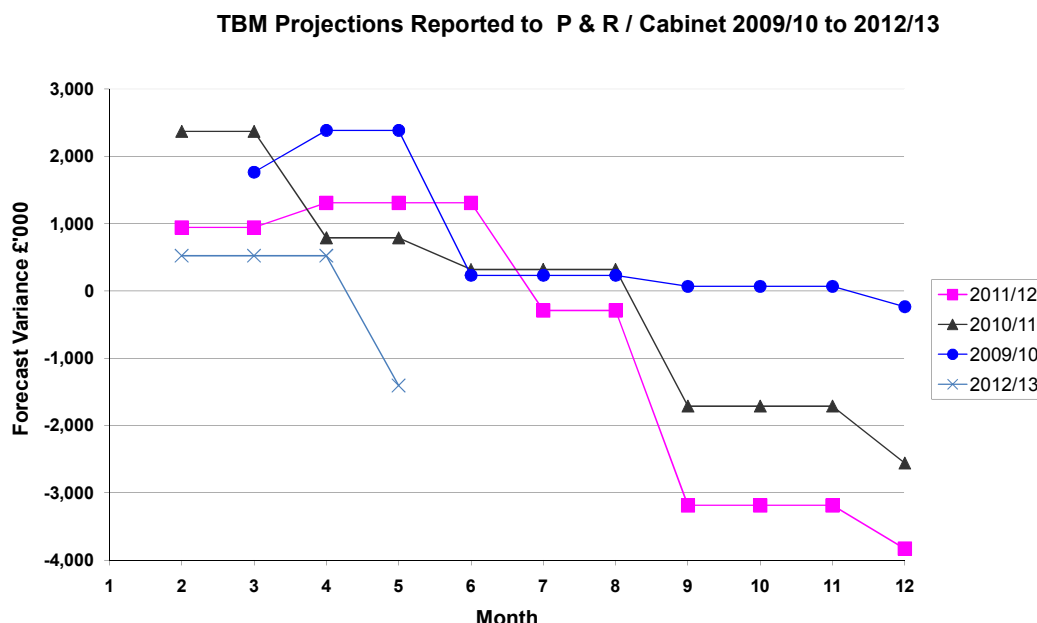
- 3.3 The table below shows the provisional outturn for Council controlled revenue budgets within the General Fund. More detailed explanation of the variances can be found in Appendix 1.

Forecast Variance Month 2 £'000	Strategic Area	2012/13 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
(973)	People	128,035	124,526	(3,509)	-2.7%
635	Place	47,038	48,000	962	2.0%
546	Communities	12,099	12,912	813	6.7%
200	Resources & Finance	38,831	39,074	243	0.6%
408	Sub Total	226,003	224,512	(1,491)	-0.7%
114	Corporate Budgets	(8,359)	(8,321)	38	0.5%
522	Total Council Controlled Budgets	217,644	216,191	(1,453)	-0.7%

- 3.4 The General Fund includes Commissioning Units and Service Delivery Units, which are organised under the strategic areas of People, Place and Communities. These, together with Resource & Finance Units and Corporate Budgets make up the General Fund services reported above.

Comparison with Previous Years

- 3.5 The chart below shows a comparison of the forecasts reported to Cabinet / Policy & Resources for the council controlled budgets for this and the previous three financial years.



Corporate Critical Budgets

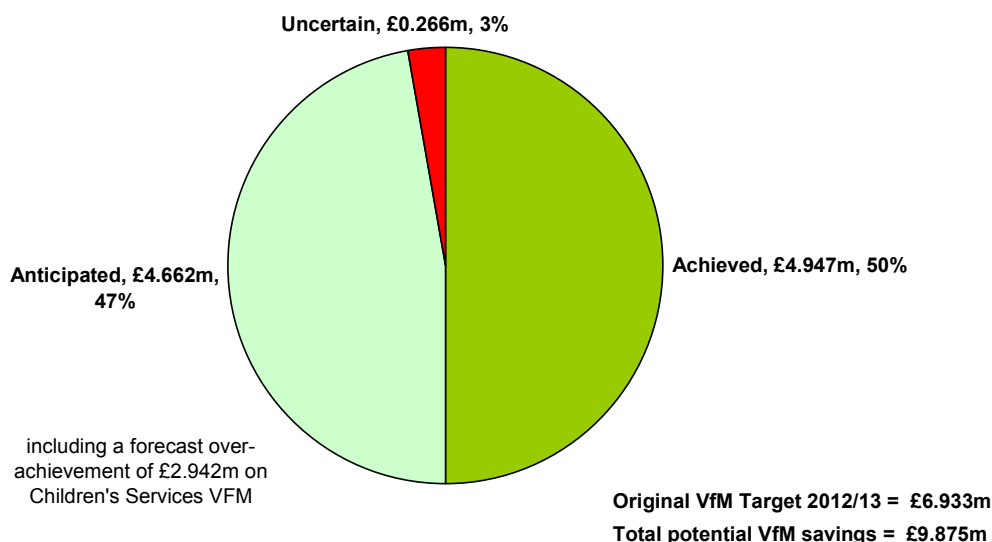
- 3.6 There are a number of budgets that carry potentially higher financial risks and therefore could have a material impact on the council's overall financial position. These are significant budgets where demand or activity is difficult to predict and where relatively small changes in demand can have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

Forecast Variance Month 2 £'000		2012/13 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
	Corporate Critical				
(700)	Child Agency & In House	22,133	19,643	(2,490)	-11.3%
(774)	Community Care	43,948	42,904	(1,044)	-2.4%
319	Sustainable Transport	(15,073)	(14,766)	307	2.0%
359	Temporary Accommodation	979	1,415	436	44.5%
-	Housing Benefits	(752)	(752)	-	0.0%
(796)	Total Council Controlled	51,235	48,444	(2,791)	-5.4%

Value for Money (VfM) Programme

- 3.7 TBM reports also provide updates on the council's Value for Money programme. The VfM programme contains a number of large, complex projects which include additional temporary resources (e.g. Project Managers) to ensure they are properly planned and implemented. Projects can have significant financial and non-financial targets attached to them and their successful implementation is therefore important to the overall financial health of the authority.
- 3.8 Some VFM projects carry significant risks and may need specialist advice or skills that can be in short supply or they may need to navigate complex procurement or legal processes. Therefore, each month the TBM report quantifies progress in terms of those savings that have been achieved, those that are anticipated to be achieved (i.e. low risk) and those that remain uncertain (i.e. higher risk). Those that are uncertain are given greatest attention and details of mitigating actions are given wherever possible.
- 3.9 The level of 'uncertain' savings stands at £0.266m (3.8%) as shown in the chart below. Further information about the risks and actions relating to uncertain savings is given in Appendix 4.

Value for Money Programme (All Phases) - 2012/13 Monitoring



Housing Revenue Account Performance (Appendix 1)

- 3.10 The Housing Revenue Account is a separate ring-fenced account which covers income and expenditure related to the management and operation of the council's housing stock. Expenditure is generally funded by Council Tenants' rents. The forecast outturn on the HRA is summarised in the table below. More detail is provided in Appendix 1.

Forecast Variance Month 2 £'000		2012/13 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Variance Month 5 %
	HRA				
(204)	Expenditure	52,575	51,914	(661)	-1.3%
-	Income	(52,975)	(53,034)	(59)	-0.1%
(204)	Total	(400)	(1,120)	(720)	

NHS Controlled S75 Partnership Performance (Appendix 1)

- 3.11 The NHS Trust-managed Section 75 Services represent those services for which local NHS Trusts act as the Host Provider under Section 75 Agreements. Services are managed by Sussex Partnership Foundation Trust (SPFT) and Sussex Community NHS Trust (SCT) and include health and social care services for Adult Mental Health, Older People Mental Health, Substance Misuse, AIDS/HIV, Intermediate Care and Community Equipment.
- 3.12 These partnerships are subject to separate annual risk-sharing arrangements and the monitoring of financial performance is the responsibility of the respective host NHS Trust provider. Risk-sharing arrangements can result in financial implications for the council should a partnership be underspent or overspent at year-end and hence the performance of the partnerships is reported under TBM throughout the year.

Forecast Variance Month 2 £'000		2012/13 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
	Section 75				
(156)	NHS Trust managed S75 Services	13,921	13,847	(74)	-0.5%

Capital Programme Performance (Appendix 2)

- 3.13 Capital programme performance needs to be looked at from 4 different viewpoints as follows:
- Forecast Variances:** The 'forecast' for a scheme or project indicates whether it is expected to be break-even, underspent or overspent. Information on how forecast overspends will be mitigated is given in Appendix 2. If the project is completed, any underspend or overspend will be an outturn variance. Generally, only explanations of significant forecast variances of £0.050m or greater are given.
 - Variations:** These are changes to the project budget within year, requiring members' approval, and do not change future year projections. The main reason for budget variations is where capital grant or external income changes in year.
 - Slippage:** This indicates whether or not a scheme or project is on schedule. Slippage of expenditure from one year into another will generally indicate overall delays to a project although some projects can 'catch up' at a later date. Some slippage is normal due to a wide variety of factors affecting capital projects however substantial amounts of slippage

across a number of projects could result in the council losing capital resources (e.g. capital grants) or being unable to manage the cashflow or timing impact of later payments or related borrowing. Wherever possible, the council aims to keep slippage below 5% of the total capital programme.

- iv) **Reprofiling:** Reprofiling of expenditure from one year into another is requested by project managers when they become aware of changes or delays to implementation timetables due to reasons outside of the council's control. Reprofiling requests are checked in advance by Finance to ensure there is no impact on the council's capital resources before they are recommended.

- 3.14 The table below provides a summary of capital programme performance by strategic theme and shows that overall the programme is forecast to be on target at this relatively early stage. Within Appendix 2 for each budget area there is a breakdown of the capital programme by Unit.

Forecast Variance Month 2 £'000		2012/13 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Outturn Month 5 %
	Capital Budgets				
0	People	30,052	30,052	0	0.0%
0	Place	61,329	61,318	(11)	0.0%
0	Communities	3,939	3,904	(35)	-0.9%
0	Resources & Finance	12,308	12,308	0	0.0%
0	Total Capital	107,628	107,582	(46)	0.0%

- 3.15 Appendix 2 also details any slippage into next year. Project managers have not forecast that any schemes will slip at present.

Capital Programme Changes

- 3.16 Appendix 2 and Appendix 3 provide details of changes to capital budgets which are included in the budget figures above. Appendix 2 details variations, re-profiled schemes and slippage whilst Appendix 3 provides details of new schemes included in the 2012/13 capital programme. Policy & Resources Committee's approval for these changes is required under the council's Financial Regulations.

Capital Budget Movement		2012/13
Summary		Budget £'000
Approved Capital Budget at Month 2		107,670
Reported through other Committees		1,332
Variations to Budget (to be approved – Appendix 2)		(2,403)
Slippage (to be noted – Appendix 2)		0
New Schemes (to be approved – Appendix 3)		1,029
Total Capital Budget		107,628

Implications for the Medium Term Financial Strategy (MTFS)

- 3.17 The council's MTFS sets out resource assumptions and projections over a 3-year period. It is periodically updated including a major annual update which is included in the annual revenue budget report to Policy & Resources Committee and Full Council. This section highlights any potential implications for the current MTFS arising from in-year TBM monitoring above and details any changes to financial risks together with any impact on associated risk provisions, reserves and contingencies. Details of Capital Receipts and Collection Fund performance are also given below because of their potential impact on future resources.
- 3.18 Details of risk provisions currently held are given in the Corporate Budgets section of Appendix 1. The current forecast trend indicates that risk provisions are unlikely to be required in full during 2012/13. The use of one-off risk provisions of £0.500m is assumed in the forecast, with the remaining balance contributing to the reported underspend. The full recurrent risk provision of £1.000m will be set aside in the Medium Term Financial Strategy to support the 2013/14 budget strategy and savings proposals.

Capital Receipts Performance

- 3.19 Capital receipts are used to support the capital programme. Any changes to the level of receipts during the year will impact on future years' capital programmes and may impact on the level of future investment for corporate funds and projects such as the Strategic Investment Fund, Asset Management Fund, ICT Fund and the Workstyles VFM projects. For 2012/13 £0.328m capital receipts have been received to date in connection with the disposal of 1a Major Close and some minor leases. Projected receipts for the year include the Charter Hotel, Kings Road and the Ice Rink at Queen's Square.
- 3.20 The Government receive 75% of the proceeds of 'right to buy sales'; the remaining 25% is retained by the Council and used to fund the capital programme. The estimated net usable receipts for 'right to buy' sales in 2012/13 is £0.400m and to date £0.091m has been received.
- 3.21 The first two tranches of receipts totalling £3.131m from the housing Local Delivery Vehicle (LDV) have been received in 2012/13. A total balance of £12.904m is expected for the year. The net receipts are ring-fenced to support investment in council owned homes.

Collection Fund Performance

- 3.22 The collection fund is a separate account for transactions in relation to national non domestic rates, council tax and precept demands. Any deficit or surplus forecast on the collection fund in relation to council tax is distributed between the council, Sussex Police and East Sussex Fire Authority in proportion to the value of the respective precept on the collection fund. It is currently forecast to break even by 31st March 2013. This forecast includes the improved position of £0.162m resulting from a lower than anticipated deficit at 31st March 2012.

Carbon Budget Update

- 3.23 A carbon budget has been set for 2012/13 as set out in Appendix 5. This shows the current level of spend on energy and the estimated carbon emissions across each service area, data has been updated to reflect 2011/12 actual performance. It includes a planned 4% reduction in 2012/13. This modest target will be challenging to meet on the basis of the current approach to carbon management. To make more significant savings in carbon emissions a more radical and longer term approach is required. There will therefore be a clear focus placed on reducing carbon emissions from buildings through the acceleration of the Workstyles programme reducing both the total number of buildings occupied by the council and also ensuring improved energy efficiency in the retained buildings. £60,000 of One Planet Living reserve has been allocated for undertaking detailed energy surveys in our buildings. In addition there will be long term investment in more energy efficient street lighting funded from Local Transport Plan resources.

The Council's 2011/12 Carbon Reduction Commitment footprint accounted for 23,727 tonnes of CO² from council buildings for which the council purchased £0.284m worth of CRC allowances at £12 per tonne.

Comments of the Director of Finance (S151 Officer)

- 3.24 This report provides an early forecast for 2012/13 and does not yet include a full review of all budgets. There are therefore likely to be further variations to report to Policy & Resources Committee at its next meeting in October. Overall the forecast on the revenue budget is encouraging given the substantial budget savings being implemented but the council will need to maintain its rigorous financial management in order to continue to address the ongoing impact of reductions in government grant funding over coming years.

4 COMMUNITY ENGAGEMENT AND CONSULTATION

- 4.1 No specific consultation has been 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.

Finance Officer Consulted: Jeff Coates

Date: 24/09/2012

Legal Implications:

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

Lawyer Consulted: Oliver Dixon

Date: 24/09/2012

Equalities Implications:

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

Sustainability Implications:

- 5.4 The Council's carbon budget update is detailed in Appendix 5 and profiles the spend and CO2 carbon footprint for both 2010/11 and 2011/12 across the council. The projected carbon budget for 2012/13 is also reported within Appendix 5. Paragraph 3.23 provides a progress update in 2012/13 to reduce carbon emissions across council services.

Crime & Disorder Implications:

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

Risk and 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 minimum working balance of £9.000m 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.

Public Health Implications:

- 5.7 There are no direct public health implications arising from this report.

Corporate / Citywide Implications:

- 5.8 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 provisional outturn position on council controlled budgets is an underspend of £1.453m. Any underspend at year-end would release one off resources that could be used to aid budget planning for 2013/14. Any overspend at year-end would need to be funded from general reserves which would then need to be replenished to ensure that the working balance did not remain below £9.000m.

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. Revenue Budget Performance
- 2. Capital Budget Performance
- 3. Capital Budget Changes (New Schemes)
- 4. Value for Money Programme Performance
- 5. Carbon Budgets Update.

Documents in Members' Rooms:

None.

Background Documents

None.

Appendix 1 – Revenue Budget Performance

People - Revenue Budget Summary

Forecast Variance Month 2 £'000	Unit	2012/13 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
(535)	Commissioner - Children's Youth & Families	22,435	19,812	(2,623)	-11.7%
(110)	Commissioner - Learning & Partnership	5,253	5,138	(115)	-2.2%
165	Delivery Unit - Children's & Families	35,150	35,364	214	0.6%
(480)	Total Children's Services	62,838	60,314	(2,524)	-4.0%
(41)	Commissioner - People	1,956	1,924	(32)	-1.6%
(774)	Delivery Unit - Adults Assessment	49,490	48,427	(1,063)	-2.1%
322	Delivery Unit - Adults Provider	13,751	13,861	110	0.8%
(493)	Total Adult Services	65,197	64,212	(985)	-1.5%
(973)	Total Revenue - People	128,035	124,526	(3,509)	-2.7%

Explanation of Key Variances

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
Commissioner – Children, Youth & Families			
(2,572)	Corporate Critical - Children's Agency Placements	The current projected number of residential placements (25.03 FTE) is broken down as 20.77 FTE social care residential placements (children's homes), 3.90 FTE schools placements, 0.36 FTE family assessment placements and 0.00 FTE substance misuse rehabilitation placements. The budget allows for 25.40 FTE social care residential care placements, 9.00 FTE schools placements, 1.50 FTE family assessment placements and 0.60	Although underspending in total, there are areas of pressure within Children's Agency Placement budgets. In particular, the Children's Services Value for Money (VFM) project is effectively addressing the level of activity and spend in IFAs. The plan focuses on strengthening preventive services and streamlining social care processes including: <ul style="list-style-type: none"> implementing a tiered approach to the procurement of placements for looked after

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
		<p>FTE substance misuse rehab placements. The number of projected placements are unprecedentedly low and it is not yet known whether this level of activity is sustainable. It is currently 11.47 FTE below the budgeted level creating an underspend of £1.451m.</p> <p>The numbers of children placed in independent foster agency (IFA) placements, for the first time in several years, has begun to fall. During 2011/12 there were 164.52 FTE placements representing a 13.5% increase on the previous year (following a 23% increase from 2009/10). Currently there are 191.41 projected FTE placements. This is considerably less than anticipated in the budget which is based on 206.50 FTE placements resulting in an anticipated underspend of £0.812m.</p> <p>The current projected number of disability placements is 16.27 FTE with an average unit cost of £2,356.43. The number of placements is 1.34 FTE below the budgeted level. The average weekly cost of these placements is £48.64 higher than the budgeted level and the combination of these two factors together with a projected underspend of £0.018m on respite placements, results in an underspend of £0.137m.</p> <p>It is currently anticipated that there will be 0.75 FTE secure (welfare) placements and 0.53 FTE secure (justice) placements in 2012/2013. The</p>	<p>children, reducing the proportion of high cost placements</p> <ul style="list-style-type: none"> improving the commissioning and procurement of expert assessments in care proceedings, strengthening arrangements for early permanence planning and increasing the numbers of in house foster placements able to provide tier 1 care. strengthening early intervention and preventive services and commissioning a transformation change programme to support the re-structuring of social work services in the Children's Delivery Unit

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
		<p>budget allows for 1.25 FTE welfare and 0.75 FTE justice placements during the year. There is currently one child in a secure (welfare) placement and one in a secure (criminal) placement resulting in a projected underspend of £0.172m</p> <p>Included within the projection is an estimate of the cost of potential price rises following the preferred provider retendering exercise currently underway. Initial evidence suggests that providers may include increases above the current rate of inflation in their new tendered prices. However, the robust tendering exercise and ongoing communication with providers to ensure value for money for the council will endeavour to reduce, where practical, any adverse financial impact of the tendering exercise. If successful, this could improve the forecast further.</p>	
(51)	Other	Minor underspend variances	
Commissioner – Learning & Partnership			
(110)	Home to School Transport	There is an underspend of £0.150m which reflects the continued reduction in the numbers of children being transported as well as the more favourable terms of the recently renegotiated contracts. This is partially offset by an overspend of £0.040m relating to the identified saving in denominational transport which is not now achievable as the proposal will now commence from September 2013 rather than September 2012.	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
(5)	Other	Minor underspend variances	
Delivery Unit – Children & Families			
270	Social Work Teams	The Social Work Teams are currently projected to overspend by £0.270m in 2012/13. This is predominantly due to the costs of the new accommodation / office moves and transport costs.	Costs will be monitored closely over the next few months and efforts made to reduce costs or identify mitigating savings to bring this budget back in balance where possible.
150	Management & Administration Savings	There is also a potential overspend resulting from the current shortfall in the Management and Admin savings target for this branch. The original target of £0.697m was subsequently reduced to £0.447m but savings identified through the Voluntary Severance Scheme and use, where appropriate of the Dedicated Schools Grant (DSG) have left a shortfall still to be found of £0.150m .	Vacancies will be scrutinised carefully to consider further potential opportunities to contribute to this saving as and when they arise.
(152)	Care Leavers	Currently the Unaccompanied Asylum Seeking Children team are projecting minimal growth in ex asylum seekers being supported resulting in an underspend of £0.150m. In addition, a further £0.050m backdated grant funding was received from the UK Border agency relating to disputed cases from 2011/12. This underspend is partially off-set by a projected overspend of £0.048m as it is anticipated that there will be an increase in care leavers requiring financial support of between 10-15 in this financial year. This results in the overall projected underspend of £0.152m .	
(70)	Legal Fees	Legal fees are currently projected to be underspent. This is made up of £0.037m underspend on independently commissioned social work and medical assessments and	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
		£0.033m underspend for legal/court fees. The underspend on independent assessments is due to the implementation of the VFM programme to utilise the Clermont CPU team to undertake these assessments.	
(68)	Adoption Payments	Adoption payments are showing an underspend due to the number of anticipated allowances being £0.068m below budgeted levels.	
82	Corporate Critical - In House Foster Payments	Overspend of £0.082m relates to increase in Special Guardianship orders where 66 placements were budgeted for but current numbers are 72.	Implementation of a tiered approach to the procurement of placements is continuing with the aim of reducing the proportion of high cost placements over time.
2	Other	Minor overspend variances	
Commissioner – People			
(32)	Commissioner – People	There is a small underspend against PCT Mental Health commissioned grants.	
Delivery Unit – Adults Assessment			
See below	Assessment Services	Assessment Services are reporting an underspend of £1.063m at Month 5 (representing 1.7% of the net budget), an increase in underspend of £0.289m since Month 2. Significant progress has already been made in meeting the 2012/13 savings target in full, albeit that some alternative savings have been identified to help offset those areas that are proving more of a challenge. There is a risk of £0.400m against extra care housing in particular. The underspend is split against client groups as follows:	
(659)	Corporate Critical -	Older People services are showing an underspend of £0.659m which is a continuation of the financial	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
	Community Care Budget (Older People)	trends seen during 2011/12 and builds upon the success of re-ablement and other initiatives in delivering ongoing efficiencies. The increase in underspend since Month 2 is due to savings as a result of the Electronic Care Monitoring System for homecare.	
(525)	Corporate Critical - Community Care Budget (Learning Disabilities)	Learning Disabilities are showing an underspend of £0.525m due mainly to the full year effect of management decisions taken during 2011/12 and over-achievement of financial recovery plan targets for the current financial year. The increase in the underspend since Month 2 of £0.296m mainly relates to one younger person expected to come into the service through transition who has become the responsibility of the NHS but there is a risk this could be reversed at a later date.	
140	Corporate Critical - Community Care Budget - Under 65's	Under 65's are currently showing an overspend of £0.140m.	Activity and growth projections are being actively monitored. Offset by underspends against other client groups.
(19)	Support & Intervention Teams	Minor underspend.	
Delivery Unit – Adults Provider			
110		Provider Services are reporting a pressure of £0.110m at Month 5 (representing 0.8% of the net budget). The pressure is mainly from the risks against delivery of budget strategy savings on Learning Disabilities Accommodation (£0.311m) as a result of the deferment of a decision at the June meeting of the Adult Care & Health	The position will be reviewed following consideration of proposals for the Learning Disabilities Accommodation Strategy at September Adult Care & Health Committee.

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
		Committee; a further proposal was put to the September meeting of the Committee and approved.	

Appendix 1 – Revenue Budget Performance

Place - Revenue Budget Summary

Forecast Variance Month 2 £'000	Unit	2012/13 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Commissioner - City Regulation & Infrastructure	3,412	3,492	80	2.3%
339	Delivery Unit - City Infrastructure	21,928	22,302	374	1.7%
0	Delivery unit - Planning & Public Protection	5,493	5,602	109	2.0%
339	Total City Regulation & Infrastructure	30,833	31,396	563	1.8%
296	Commissioner - Housing	15,693	16,092	399	2.5%
0	Delivery Unit - Housing & Social Inclusion	512	512	0	0.0%
296	Total Housing	16,205	16,604	399	2.5%
635	Total Revenue - Place	47,038	48,000	962	2.0%

Explanation of Key Variances:

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
Commissioner – City Regulation & Infrastructure			
80	Sustainable Transport	There is a pressure on the Highways and Engineering Projects Team and their ability to recharge sufficient time to capital projects to meet budget.	Efforts will continue to be made to legitimately recharge as much staff time as possible, and to try to identify underspends on non essential supplies and services.
Delivery Unit - City Infrastructure			
307	Corporate Critical - Parking Operations	There is a shortfall in the level of on street pay and display income leading to a forecast overspend against budget of £0.700m. There is a clear pattern of poor weather having a particularly negative impact on the on-street parking revenue.	The Lanes and London Road off street car parks are forecast to achieve additional income of £0.235m. Trafalgar Street and Regency Square will underspend on their revenue maintenance budgets by £0.043m owing to the capital

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		<p>In addition a migration away from cars to bus and cycle use, and car users switching from two hour stays to one hour stays may have also contributed to this.</p> <p>Uncertainty over the level of the contribution from NCP for the two leased car parks has also lead to a forecast overspend of £0.060m.</p> <p>An extension to the period of refurbishment at Trafalgar Street and Regency Square is likely to reduce the income capacity by £0.115m, and a shortfall in the level of income at the HRA High Street car park will cause a pressure of £0.010m.</p>	programme in year. Efficiencies in the removals service and enforcement contract variations will lead to expenditure savings of £0.150m. The forecast for permit income now shows a surplus against budget of £0.150m. These will partially offset the risks above.
51	Highways	This relates to the cost of specialist support staff relating to North Street, and to the permit scheme for road works and closures.	Efforts will be made to try and identify areas where underspends can be achieved in order to offset the pressures identified.
16	City Parks	Shortfall in the level of income from grounds maintenance.	Efforts will be made to manage staff time for the remainder of the year, to try and bring back to breakeven.
Delivery Unit – Planning & Public Protection			
96	Public Protection	There are pressures in respect of license fee income (£0.045m), staffing costs (£0.036m), and fees for animal welfare and kennelling costs (£0.015m).	Expenditure forecasts will be reviewed to determine whether there is scope to make savings elsewhere in order to bring the position back to breakeven.
13	Economic Development	Minor overspends.	Expenditure forecasts will be reviewed to determine whether there is scope to make savings elsewhere in order to bring the position back to a breakeven one.
Commissioner – Housing			
436	Corporate Critical Budget - Temporary	As identified at Month 2, the main pressure on Temporary Accommodation is from an expected increase in Bed and Breakfast spot purchase	This is a known service pressure area that needs to be managed in the context of the whole council budget position and considered in setting the

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
	Accommodation & Allocations	accommodation based on an average of 20 additional clients. In addition, because the stock of leased properties has also increased to keep pace with demand there is a slight pressure on staffing to manage this expansion which is offset by the additional income generated to meet savings targets.	2013/14 and 2014/15 budget. Mitigation action will attempt to acquire more accommodation through the framework agreement, which is currently being put together.
48	Housing Support Services	The increase in vulnerability of clients in hostels has meant that more staff have been employed to cope with this. Extra staff include 3 key workers for 6 months (1 at each hostel). There is also additional overspend due to a rent increase at West Pier Hostel. Some of these overspends have been offset by increased income due to 7 extra rooms across the hostel service.	This is linked to the known service pressures across this area as mentioned above.
(115)	Lead Commissioner	The underspend identified at Month 2 is due to over-achievement of value for money Management & Admin savings and savings against budgeted pension contributions. This underspend is being used to offset pressure against other services within Housing Commissioning.	
30	Other Commissioner - Housing	The main pressure is from staffing within the Housing Strategy team based on spend to date. This pressure was identified at Month 2. Part of this pressure has been reduced by efficiency savings. The slight overspend in Housing Options and Homelessness relates to staffing costs due to long term sickness cover.	Costs will be monitored closely and efforts made to bring the budget back in line

Appendix 1 – Revenue Budget Performance

Communities - Revenue Budget Summary

Forecast Variance Month 2 £'000	Unit	2012/13 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Commissioner - Communities & Equalities	3,388	3,438	50	1.5%
0	Delivery Unit - Community Safety	2,353	2,538	185	7.9%
0	Commissioner - Sports & Leisure	1,157	1,157	0	0.0%
0	Commissioner - Culture	1,970	2,000	30	1.5%
546	Delivery Unit - Tourism & Leisure	3,231	3,779	548	17.0%
546	Total Revenue - Communities	12,099	12,912	813	6.7%

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
Commissioner – Communities & Equalities			
50	Community Development	The forecast overspend is in respect of match-funding for a Community and Voluntary Sector Forum led project "Transforming the Local Infrastructure"	There may be a potential to offset this by underspends on other commissions by year end.
Delivery Unit – Community Safety			
185	Community Safety	The forecast overspend across Community Safety is due to the unachievable savings target of £0.079m in respect of the drugs and alcohol services and other budgetary pressures for which options are being explored. The financial impact regarding the establishment of the Police and Crime Commissioners has yet to be reflected in the forecast.	Urgent action is being undertaken to reduce the level of overspend including possible additional grant funding which could be applied to current projects.
Commissioner – Sports & Leisure			
0	Sport and Leisure	The forecast across Sport and Leisure commissioning budgets is currently break-even. Essential health and safety works have been carried out at Saltdean Lido under Urgency Powers which	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		are to be funded from the General Fund risk provision as detailed in the Corporate Budgets section of this Appendix. Options are being developed for the future of the Lido.	
Commissioner - Culture			
30	Brighton Dome client costs	It was anticipated that a reduction in the contractual payment to the Dome for 2011/12 could be negotiated but this has not proved possible in its entirety.	Negotiations are ongoing to review the inflationary clause within the contract for future years.
Delivery Unit – Tourism & Leisure			
460	Venues	The Venues forecast overspend is as a result of the immediate short term issue of the loss of Holiday On Ice for January 2013 (£0.180m), realisation of impact of low levels of bookings made prior to the refurbishment of the venue when it was not such an attractive proposition for exhibitions and conference bookers (£0.144m), reduced bookings for entertainments (£0.122m) and a pressure of £0.014m due to the loss of rooms no longer available for functions at the Hove Centre.	Action is being taken to secure further bookings and maximise future business opportunities, this includes the one week Holiday on Ice Show in November 2012 and three week run of Starlight Express. Conference bookings since January of this year, following completion of the refurbishment works to the Brighton Centre currently have a future predicted economic impact of £180m, far exceeding any previous booking levels. This is for bookings stretching to 2025 and is an indication of an ability to meet future targets.
73	Royal Pavilion and Museums	The overspend includes £0.040m due to delays in the development of new security staffing arrangements to achieve savings for 2012/13 and £0.140m pressure across retail, based on the current figures. These overspends have been reduced by vacancy management savings of £0.040m and a net surplus of £0.067 admissions income.	Work on new security staffing arrangements with staff and unions is underway. Action is being taken to reduce the pressure across retail. In previous years, by this point in the year the major exhibition has taken place. This year it has only just opened and it is hoped that the

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
			product developed for Biba will sell well, however, it is not possible to predict with certainty what income levels on secondary spend will be. The previously reported energy pressure has been excluded from the forecast pending further information and clarification of usage.
15	Tourism & Marketing	The forecast overspend across Tourism and Marketing is due mainly to pressures on income of £0.010m within Marketing and £0.010m regarding Conferences as well as other minor overspends. These have been partially offset by salary savings.	In all areas actual and forecast income and expenditure is closely reviewed and action is being taken to maximise any future business opportunities as well as reduce costs.

Appendix 1 – Revenue Budget Performance

Resources & Finance - Revenue Budget Summary

Forecast Variance Month 2 £'000	Unit	2012/13 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
28	Delivery Unit - City Services	13,349	13,409	60	0.4%
0	Housing Benefit Subsidy	(752)	(752)	0	0.0%
172	Resources	19,124	19,324	200	1.0%
0	Finance	5,966	5,936	(30)	-0.5%
0	Strategic Leadership Team	1,144	1,157	13	1.1%
200	Total Revenue - Resources & Finance	38,831	39,074	243	0.6%

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
Delivery Unit – City Services			
60	City Services	This relates to libraries services following due process and engagement with staff and stakeholders in consultation which led to a later than planned implementation of the proposed budget savings.	Pressures are being actively managed to minimise or reduce costs.
Resources			
69	Communications	Communications are forecasting an overspend of £0.069m in 2012/13. This is mainly from staffing pressures. This assumes the delivery of agreed savings of £0.039m made from ceasing the publication of City News and a further £0.040m against staffing. Revenue income of £0.150m is currently forecast from advertising and	Savings continue to be made on communications across the council as a result of consolidating budgets. The overall spend on council-wide communications was reported at £2.900m for 2011/12 and work is ongoing to deliver greater efficiencies as part of the overall value-for-money programme. Additional revenue

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		sponsorship contracts which are due to be awarded in November 2012. Additional revenue of £0.025m has been generated from external clients. Further revenue of £0.080m is expected to be generated but there are significant risks attached to this forecast. These include competitive tenders, completion of contracts before the end of the financial year and market instability in terms of the size of contracts awarded.	income opportunities will be explored wherever possible.
39	Human Resources	Human Resources are forecasting an overspend of £0.039m. The Human Resources Systems Thinking review is in progress; the transformation fund will resource the review along with specific direct investment required to improve service efficiency. The review is expected to inform the future resourcing requirements of the service and determine any potential savings.	It is expected that any efficiencies delivered in the year will be used to offset current pressures.
115	ICT	The main risks relate to delivery of the savings target for upgrading of telephony services (£0.060m) an element of which relates to the VFM programme as described in Appendix 4. Other risks include an operating cost pressure associated with equipment replacement, increased security compliance (£0.068m), offset by underspends.	This forecast indicates that the ICT budget is under pressure. However, costs will be closely monitored and opportunities for cost reduction and other savings will be kept under review to help balance the budget.
(16)	Legal & Democratic Services	Minor underspend	
(7)	Policy, Performance & Analysis	Minor underspend	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
Finance			
(30)	Financial Services	A small number of vacancies and lower than expected temporary cover costs have resulted in an underspend on the staffing budget.	

Corporate Budgets - Revenue Budget Summary

Forecast Variance Month 2 £'000	Unit	2012/13 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
(425)	Bulk Insurance Premia	3,419	3,084	(335)	-9.8%
0	Concessionary Fares	9,696	9,746	50	0.5%
350	Capital Financing Costs	8,862	9,212	350	3.9%
0	Levies & Precepts	167	167	0	0.0%
205	Corporate VfM Savings	(531)	(326)	205	38.6%
0	Risk Provisions	3,363	3,147	(216)	-6.4%
(16)	Other Corporate Items	(33,335)	(33,351)	(16)	0.0%
114	Total Revenue - Corporate Budgets	(8,359)	(8,321)	38	0.5%

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
Bulk Insurance Premia			
(425)	Bulk Insurance Premia	The budget for 2012/13 was increased by £0.410m to reflect the forecast increase in premium rates following an anticipated retendering exercise of some of the portfolio from 1 April 2012. In order to maximise value for money it was decided to defer the retendering so that all the council's insurance cover could be retendered at the same time from 1 April 2013. Negotiations to extend agreements with existing insurers were concluded with minimal changes in existing rates therefore the increased budget provision for this year will not be required. The forecast underspend has reduced by £0.090m since Month 2. This relates to the settlement of two slip / trip claims (£0.050m) and the	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		increasing costs of litigated claims, particularly legal fees (£0.040m). It is anticipated that the council will experience increasing numbers of litigated claims from "no win no fee" lawyers in the period up to April 2013 when the law is due to change. The change will mean that lawyers will no longer be able to claim success fees from the losing side and should instead receive a share of any damages awarded. The Government hopes the change will act as a disincentive to anyone bringing spurious cases.	
Concessionary Fares			
50	Concessionary Fares	A small overspend is forecast for 2012/13 in relation to the net position of increased journeys and contracted services compared to the budgeted fixed price contract.	
Capital Financing Costs			
350	Capital Financing Costs	There is an anticipated £0.350m pressure on financing costs due to reduced HRA borrowing as at 31 st March 2012 compared to that anticipated at budget setting time. With effect from 1 st April 2012 HRA borrowing is separate from other council borrowing. This has resulted in a greater element of the financing costs of the authority impacting on the General Fund than anticipated.	Where possible, underspends on other corporate budgets will be used to mitigate this pressure, notably Bulk Insurance Premia.
Corporate VFM Projects			
205	Corporate VFM Projects	A number of VFM projects relate to council-wide projects which will deliver savings across many, if not all, service areas. The associated savings targets are shown under Corporate Budgets awaiting allocation to individual service budgets as and when savings are identified and/or confirmed. If all savings are identified and achieved in 2012/13, the Corporate VFM Projects savings target above will reduce to zero by the end of the financial year.	Full details of VFM Programme performance and variances are given in Appendix 4.
Risk Provisions			
(216)	Risk Provisions &	There is a one-off risk provision of £1.000m and it is now forecast	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
	contingency	<p>that £0.216m of this can be released to support the overall position. It is anticipated that the remaining £0.784m will be required for the following:</p> <ul style="list-style-type: none"> • maintenance work at Saltdean Lido undertaken under urgency powers. This totals £0.130m of which £0.030m relates to capital expenditure and is included in Appendix 3; • implementation of Information Commissioner's Office (ICO) recommendations; • additional legal costs for intellectual property rights; • support for school bus routes; • other one-off pressures that might arise during the year. <p>There are permanent risk provisions of £1.000m (general) and £0.785m (pay related matters) which are also forecast to be fully spent. This will be kept under review as the year progresses and, if appropriate, amounts may be released to support the overall position.</p>	
Other Corporate Items			
(16)	Corporate Unringfenced Grants	Additional income relating to the Learning Disabilities & Health Reform Grant.	

Housing Revenue Account - Revenue Budget Summary

Forecast Variance Month 2 £'000	2012/13 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
	Housing Revenue Account			
(174)	Employees	8,288	(230)	-2.7%
(30)	Premises – Repair	10,346	(299)	-2.8%
-	Premises – Other	3,365	(77)	-2.2%
-	Transport & Supplies	2,047	(26)	-1.3%
-	Support Services	1,949	(32)	-1.6%
-	Third Party Payments	58	3	5.5%
558	Revenue contribution to capital	18,642	-	0.0%
(558)	Capital Financing Costs	7,219	-	0.0%
(204)	Net Expenditure	51,914	(661)	-1.3%
-	Dwelling Rents (net)	(46,726)	(24)	-0.1%
-	Other rent	(1,208)	38	3.0%
-	Service Charges	(4,244)	(92)	-2.2%
-	Supporting People	(484)	(19)	-4.1%
-	Other Income & Recharges	(372)	38	9.3%
-	Net Income	(53,034)	(59)	-0.1%
(204)	Total	(1,120)	(720)	

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
Housing Revenue Account			
(230)	Employees	This relates to vacancies throughout the service during the first few months of the year while recruitment to the new Housing and Social Inclusion structure was being finalised. It also includes underspends on pension costs as fewer staff are members of the pension scheme.	
(299)	Premises Repairs	Responsive repairs are forecast to underspend by £0.200m. The continuation of the policy implemented last year to review responsive repairs within the context of the replacement programme has resulted in lower than expected values and numbers of responsive repairs. There is also a further underspend on the costs of gas servicing of £0.104m as a result of the re-basing of the open book contract after the budget was set.	
(77)	Premises -other	There is a £0.048m underspend on premises costs relating to the housing centre, and a further underspend of £0.020m on council tax payments for empty properties where properties have been refurbished and re-let quicker than anticipated.	
(26)	Transport and Supplies	This variance relates to many small underspends on transport and supplies throughout the service. Some of these relate to professional fees and computer hardware as well as a forecast reduction in vehicle maintenance costs as a result of new vehicles being purchased. The underspends are off-set by £0.100m additional expenditure on the financial inclusion project which aims to procure a money advice service for residents. This expenditure was approved as part of the 2012/13 budget process to be funded out of earmarked reserves but has now been funded by these underspends.	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
(92)	Service Charge Income	Service Charge income is forecast to over -recover slightly by £0.092m (2.22%) due in the main to an unexpected increase in the 2011/12 repairs service charge for leaseholders (billed in 12/13). This is due to more repairs works being carried out to leaseholders' properties during the last financial year.	

Dedicated Schools Grant - Revenue Budget Summary

2012/13 Variance Month 2 £'000	Dedicated Schools Grant (DSG)	2012/13 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Individual School Budgets (ISB) <i>(This does not include the £6.380m school balances brought forward from 2011/12)</i>	126,774	126,774	0	0.0%
0	Private, Voluntary & Independent (PVI) <i>(Early Years 3 & 4 year old funding for the 15 hours free entitlement)</i>	6,801	6,801	0	0.0%
(45)	Central Schools Budget <i>(This includes £1.168m central underspend brought forward from 2011/12)</i>	16,595	16,452	(143)	-0.9%
0	Grant income	(149,002)	(149,002)	0	0.0%
(45)	Total Net DSG	1,168	1,025	(143)	-12.2%

Explanation of Key Variances

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
Central Schools Budget			
(62)	Educational Agency Placements	At budget setting time it was estimated that there would be 61 FTE placements. The current number of children in an educational agency placement remains at 61 but due to favourable changes in placement costs there is an underspend.	
(48)	Education of Looked After Children	Costs being lower than anticipated.	
(19)	Swan Centre	Small underspends on non-employee costs.	
(14)	Various	Other minor underspends	

NHS Trust Managed S75 Budgets - Revenue Budget Summary

Forecast Variance Month 2 £'000	2012/13 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
S75 Partnership				
8	11,485	11,364	(121)	-1.1%
(164)	2,436	2,483	47	1.9%
(156)	13,921	13,847	(74)	-0.5%
Sussex Partnership Foundation NHS Trust (SPFT)				
Sussex Community NHS Trust (SCT)				
Total Revenue - S75				

Explanation of Key Variances

Key Variances £'000	Service	Description (Note WTE = Whole Time Equivalent)	Mitigation Strategy (Overspends only)
Sussex Partnership Foundation NHS Trust			
(121)	SPFT	Sussex Partnership Foundation NHS Trust (SPFT) is reporting an underspend of £0.121m at Month 5. The budget strategy savings target of £0.326m has already been achieved. On top of this, further savings of £0.083m have been achieved as a result of increased funding through the assessment process and the use of assistive technology. However, there continue to be pressures against the Adult Mental Health Community Care budget from a lack of suitable accommodation, for which there is a specific savings target in the Financial Recovery Plan. In line with the agreed risk-share arrangements for 2012/13 any overspend or underspend will be shared 50/50 between SPFT and BHCC.	
Sussex Community NHS Trust			
47	SCT	Sussex Community NHS Trust (SCT) are reporting an overspend of £0.046m. The HIV budget is underspent and is a continuation of the position from 2011/12. There are significant staffing pressures against Intermediate Care services where a process has been put in place to manage this position..	

People – Capital Budget Summary

Forecast Variance Month 2 £'000	Unit	2012/13 Revised Budget £'000	Approved at other Meetings £'000	New Schemes Appendix 3 £'000	Variation, Slippage or reprofile £'000	2012/13 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Commissioner - Learning & Partnership	27,093	1,332	0	0	28,425	28,425	0	0.0%
0	Delivery Unit - Children's & Families	393	0	17	0	410	410	0	0.0%
0	Total Children's Services	27,486	1,332	17	0	28,835	28,835	0	0.0%
0	Commissioner - Adult Services	347	0	0	0	347	347	0	0.0%
0	Delivery Unit - Adults Provider	169	0	0	0	169	169	0	0.0%
0	Delivery Unit - Adults Assessment	551	0	0	150	701	701	0	0.0%
0	Total Adult Services	1067	0	0	150	1,217	1,217	0	0.0%
0	Total People	28,553	1,332	17	150	30,052	30,052	0	0.0%

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

Detail Type	£'000	Project	Description	Mitigation Strategy
Delivery Unit – Adults Assessment				
Variation	150	Adaptations for the disabled	To increase the capital budget available for ASC minor adaptations by £0.150m to help support Adult Social Care in delivering improved personalised care for residents. National research demonstrates that most service users would choose the one-off provision of re-abling equipment or adaptations, which supports their continued independence, rather than the more costly and ongoing intervention of a care package (Better Outcomes, Lower Costs ODI/University of Bristol, 2007). Demand is	

Appendix 2 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			<p>expected to increase due to more staff receiving enhanced assessor training to carry out assessments for adaptations and better value for money will be achieved as the provision of the fitting of adaptations is being tendered using a framework agreement. £0.060m will be allocated out of the £0.150m to fund the 'Handling the Future' project which will use specialist equipment and adaptations to replace the need for multiple carers in the manual handling of service users.</p> <p>This variation will be funded from an agreed revenue contribution from the Adult Social Care budget. This is in addition to the carry-forward of underspend from 2011/12 of £0.118m previously reported to P&R committee on 14th June 2012. The total adaptations budget for 2012/13 will therefore be £0.268m.</p>	

Place – Capital Budget Summary

Forecast Outturn Month 2 £'000	Unit	2012/13 Revised Budget £'000	Reported At other Meetings £'000	New Schemes Appendix 3 £'000	Variation, Slippage or reprofile £'000	2012/13 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Commissioner - City Regulation & Infrastructure	7,508	0	461	0	7,969	7,969	0	0.0%
0	Delivery Unit - City Infrastructure	8,651	0	153	10	8,814	8,814	0	0.0%
0	Delivery Unit – Planning, Public Protection	0	0	18	0	18	18	0	0.0%
0	Commissioner - Major Projects	866	0	0	(50)	816	816	0	0.0%
0	Total City Regulation & Infrastructure	17,025	0	632	(40)	17,617	17,617	0	0.0%
0	Commissioner - Housing	7,010	0	0	0	7,010	7,010	0	0.0%
0	Delivery Unit - Housing & Social Inclusion (HRA Capital)	38,768	0	350	(2,416)	36,702	36,691	(11)	0.0%
0	Total Housing	45,778	0	350	(2,416)	43,712	43,701	(11)	0.0%
0	Total Place	62,803	0	982	(2,456)	61,329	61,318	(11)	0.0%

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

Detail Type	£'000	Project	Description	Mitigation Strategy
Delivery Unit – City Infrastructure				
Variation	10	Aldington / Wish S106	An additional £0.010m is requested for the Wish park play area funded by a S106 agreement .	
Commissioner – Major Projects				

Appendix 2 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
Variation	(50)	Major Projects	Minor resourcing changes of the capital spend on Shoreham Harbour (£0.045m) and The Keep (£0.005m) within Major Projects, as this funding has been switched to revenue, result in a small reduction in the capital budget for this area.	
Delivery Unit – Housing & Social Inclusion (HRA Capital)				
Reprofile	(100)	Major Empty Properties	Reprofiling of £0.100m is requested in order to complete the major empty projects that will begin in 2012/13 but current estimates indicate that some will not be completed until 2013/14.	
Reprofile	(400)	Pre-release conversion refurbishment for Seaside Homes (TACC)	There have been delays in starting the largest of the conversion projects at 243/245 Preston Road as P&R committee approval was required to appropriate the property in the Housing Revenue Account. The deterioration of the building has continued, and further surveys to establish the new levels of work required have had to take place.	
Reprofile	(600)	Lift Replacement programme	The current programme has been delivered with an expected underspend in 2012/13 of £600,000. Additional works to the current programme have been identified to be completed in 2013/14 and it is proposed to reprofile this underspend to fund these works.	
Reprofile	(416)	Rewiring – Essex Place	The Essex Place communal lighting upgrade project has now been moved to the 2014/15 financial year. These works need to follow on from other capital projects which have taken precedent such as the lift replacement programme and proposed works to repair the structure and thermal efficiency of the block. Moving these works to 2014/15 will allow sufficient time for the other works to be completed and will minimise disruption to the residents of the block.	
Reprofile	(900)	Redevelopment of HRA Garage Sites	Approval was given by Housing Committee on the 26th September for the procurement of a delivery partner to take forward final feasibility, design and development of new council	

Appendix 2 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			homes on the HRA vacant garage sites. The timetable for taking the garage site scheme development forward will result in £0.900m of the £1.3m 2012/13 capital programme budget for these sites being spent in the new financial year.	
Forecast Variance	(200)	Structural works	A projected underspend of £0.200m due to a number of these empty properties that require major works now being leased to Seaside Homes.	
Forecast Variance	405	TV aerials	The project is projected to overspend by £0.405 million on the original budget of £1.4 million. The increased spend was due to additional sites not included in the original budget assumptions, which were required to ensure tenants were unaffected by the switchover, and the installation of security improvements to protect the equipment against vandalism.	Some of the additional costs amounting to £0.150 million are recovered through services charges, approved as part of the 2012/13 HRA revenue budget. The balance of £0.255 million will be met from other HRA Capital Programme underspends.
Forecast Variance	(248)	Empty Properties	All works to properties that are planned for under this budget are currently in progress and are expected to be delivered as planned in this financial year. The works/properties will not require all of the funding available and so are expected to deliver a saving of approximately £0.248m.	
Forecast Variance	32	Overheads	Minor overspend on overheads funded by the above forecasted underspends	

Communities - Capital Budget Summary

Forecast Outturn Month 2 £'000	Unit	2012/13 Revised Budget £'000	Reported at other Meetings £'000	New Schemes Appendix 3 £'000	Variation, Slippage or reprofile £'000	2012/13 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Commissioner - Sports & Leisure	1,098	0	30	(500)	628	593	(35)	-5.6%
0	Delivery Unit - Tourism & Leisure	3,311	0	0	0	3,311	3,311	0	0.0%
0	Total Capital Communities	4,409	0	30	(500)	3,939	3,904	(35)	-0.9%

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

Detail Type	£'000	Project	Description	Mitigation Strategy
Commissioner – Sports & Leisure				
Reprofile	(500)	Withdean Athletics Track	The replacement of the track has to be undertaken during the warmer months and we had initially hoped to do this in late summer/autumn 2012. However, the timescale proved too tight and delays to the project due to the weather have resulted in it being unfinished for winter training. We are now looking at commencing works in either April or August 2013 (depending on what the athletics clubs would prefer). A reprofile of £0.500m to 2013/14 is requested.	
Forecast variance	(35)	Stanley Deason all weather track	Tenders have now been received and the cost of the project is £0.035m less than expected.	

Appendix 2 – Capital Programme Performance

Resources & Finance - Capital Budget Summary

Forecast Variance Month 2 £'000	Unit	2012/13 Revised Budget £'000	Approved at other Meetings £'000	New Schemes in Appendix 3 £'000	Variation, Slippage or reprofile £'000	2012/13 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Delivery Unit - City Services	1,774	0	0	606	2,380	2,380	0	0.0%
0	Resources	9,992	0	0	(203)	9,789	9,789	0	0.0%
0	Finance	139	0	0	0	139	139	0	0.0%
0	Total Capital Resources & Finance	11,905	0	0	403	12,308	12,308	0	0.0%

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

Detail Type	£'000	Project	Description	Mitigation Strategy
Delivery Unit – City Services				
Variation	606	Woodvale Cremators for Mercury Abatement	<p>In developing the technical brief since the project was approved in February 2012 it has now been identified, following a rigorous and comprehensive feasibility study and costs analysis by a Quantity Surveyor, that the approved £1.2 million funding will not achieve the minimum requirements of the mercury abatement scheme.</p> <p>An evaluation of options has identified a preferred scheme where an additional £0.606 million represents better Value For Money over the longer term to comply with legislation, whilst taking the opportunity to improve customer facilities at Woodvale.</p> <p>The investment is considered to represent a good business case by enabling minimal service disruption and therefore minimising the loss of future revenues and patronage, and through learning the lessons of other crematoria that were early implementers of mercury abatement facilities.</p>	

Appendix 2 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			<p>Additional essential works will ensure compliance with Health and Safety legislation and maintain our buildings to a high standard for our customers. By addressing significant repair and upkeep issues now, the service will avoid pressures on the revenue budget for the coming years, and also minimise disruption to the service and our customers. This includes the replacement of cremators that have served their shelf life, essential damp proofing and repair work to chapel roofs, necessary refurbishments and improved lighting.</p> <p>The scheme will deliver significant improvements to the environmental performance at Woodvale Crematorium. This includes reductions in air and water pollution, reductions in energy consumption, including recycling of heat, and a reduction in carbon emissions. The crematorium will also remain open for the duration of the works.</p> <p>The project is being procured through Tier 2 of the Sussex Cluster IESE Framework; using this method of procurement reduces the risk of any agreed maximum price being exceeded.</p> <p>The capital funding will be financed through reserves built up in anticipation of the mercury abatement works of £0.548 million and borrowing of £1.258 million. The borrowing will be repaid over a 15 year period and will be met by the Mercury Abatement levy charged per cremation, and revenue from fees and charges. It is anticipated that additional income of £0.035m a year will be achieved as a result of the improvements and will support the future maintenance and other running costs.</p> <p>The new energy efficient equipment is expected to reduce energy costs at the Woodvale site. This will also provide the council with the opportunity to reduce carbon emissions which may reduce the council's Carbon Reduction Commitment payments. The revised profile of capital</p>	

Appendix 2 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
Resources				
Reprofile	(87)	Planned Maintenance Budget - Preston Manor Electrical Remedials	Phase 1 and Phase 2 of external conservation repairs and redecoration to Preston Manor have been rolled together across financial years to undertake the highest priority essential external repairs to this grade 2 star listed building. This work is currently in progress and programmed to complete by the end of October 2012 before the dangers of frost that can destroy historic building materials. A smaller scale Phase 3 of further priority external and internal repairs is planned to be undertaken during the summer months in 2013/14. Further funding is intended to be allocated from the Planned Maintenance Budget for Phase 3 in 2013/14 and the remaining £0.040m in this year's phase 2 budget will be used to supplement this.	
Reprofile	(116)	Planned Maintenance Budget - Preston Manor Extrenal Repair Phase 2 & Repace fire alarm & lighting	As set out above, Phases 1 and 2 of the external works at Preston Manor will not complete until the end of October 2012. Consultation with conservation and historic buildings, Conservation Officers and English Heritage is in progress to agree the works specification before the electrical, fire alarm and emergency lighting works can be progressed. It may also make financial sense to align these electrical works with those of Phase 3 of the refurbishment and explore possible benefits in procuring internal fabric repairs and these electrical works as a single package to maximise value. The request is to reprofile both budgets in full to be delivered in summer 2013.	

Appendix 3 – Capital Programme Changes

New Capital Project Approval Request				
Unit:	Delivery Unit – Children’s & Families			
Project title:	New Vehicle for 55 Drove Road			
Total Project Cost (All Years)	£17,000			
Purpose, benefits and risks:				
The Short Term Care Unit operates for young people with a severe learning disability and challenging behaviour aged between 10 and 18 years. Residential short stays provide a support to families enabling young people to remain in their own homes. The aim of the Care Unit is to promote independence, provide support to families and work with the young people to help them manage their behaviours safely and appropriately. This new vehicle is needed to enable the Unit to operate successfully and is a replacement of a previous one.				
Capital expenditure profile (£'000):				
Year	2012/13	2013/14	2014/15	TOTAL
Unsupported Borrowing	17	0	0	17
Total estimated costs and fees	17	0	0	17
Financial implications:				
Unsupported borrowing is available to provide finance for schemes such as this. The repayment of the loan will be funded from the revenue budget of the unit.				

New Capital Project Approval Request				
Unit:	Commissioner – City Regulation & Infrastructure			
Project title:	Brighton Marina to River Adur Study			
Total Project Cost (All Years):	£233,000			
Purpose, benefits and risks:				
<p>The Council have been successful in applying to the Environment Agency for a grant towards works for the Brighton Marina to River Adur and Coastal Erosion Risk Management Study. A new strategic study of this section of coast has just begun and is due to be completed in 2014. A strategy study looks in detail at the length of coast under consideration and how it will evolve over the next 100 years, the significant human and natural factors that are influencing it now and in the future, how these can be accommodated and what kind of defensive measures are suitable and affordable.</p> <p>The study area covers sections of coast administered by Adur District Council and Brighton & Hove City Council. The cost is met by the Environment Agency.</p>				
Capital expenditure profile (£'000):				
Year	2012/13	2013/14	2014/15	TOTAL
Grant Funding	111	101	21	233
Total estimated costs and fees	111	101	21	233
Financial implications:				
<p>The Environment Agency provides capital grants to other Flood and Coastal Erosion Risk Management (FCERM) Operating Authorities in England under section 16 of the Floods and Water Act 2010. Grants are available to authorities towards approved capital expenditure incurred on the improvement of existing, or the construction of new, flood or erosion risk management and water level management works</p>				

New Capital Project Approval Request				
Unit:	Commissioner – City Regulation & infrastructure			
Project title:	The Better Bus Area Fund			
Total Project Cost (All Years):	£2,100,000			
Purpose, benefits and risks:				
<p>The city is renowned for having one of the most successful bus networks outside of London and bus patronage has increased from 30.2 million journeys in 2001 to 41.1 million in 2009/10. Over the last five years patronage has grown by 16.5% (an additional 5.8 million passengers).</p> <p>Brighton & Hove applied to the government for a grant through the ‘Better Bus Areas’ fund. The money will be spent over the next two years on improvements to both services and infrastructure.</p> <p>Investment will be focussed on improving the area for bus passengers around Valley Gardens; enhancing the route along Edward Street/Eastern Road to serve the new Royal Sussex County Hospital development; and to provide better bus stop facilities as part of the Lewes Road scheme, to accommodate the ‘bendy’ buses due to come on stream from April. The scheme will help link bus services in with ongoing transport and public realm schemes and make it easier and quicker to get to key destinations such as the city centre, Brighton station and the Royal Sussex County hospital.</p> <p>Improvements around Valley Gardens, from The Level to the Old Steine in Brighton, are part of a wider public realm project to provide and attractive, flexible and safe space for people to enjoy year-round and at all times of the day.</p>				
Capital expenditure profile (£'000):				
Year	2012/13	2013/14	2014/15	TOTAL
Grant Funding	350	1,750	0	2,100
Total estimated costs and fees	350	1,750	0	2,100
Financial implications:				
Department for Transport are providing a grant of £2.1m to finance this scheme.				

New Capital Project Approval Request				
Unit:	Delivery Unit – City Infrastructure			
Project title:	Controlled Parking Schemes			
Total Project Cost (All Years):	£153,000			
Purpose, benefits and risks:				
This capital scheme is providing new controlled parking schemes for Canning Street, Richmond Heights and London Road station. It includes the cost of surveys, consultants, lining and signing, and the pay and display machines.				
Capital expenditure profile (£'000):				
Year	2012/13	2013/14	2014/15	TOTAL
Unsupported Borrowing	153	0	0	153
Total estimated costs and fees	153	0	0	153
Financial implications:				
The £0.153m capital sum consists of £0.133m in respect of Canning Street and Richmond Heights and £0.020m for London Road Extension. Within this £0.078m relates to lining and signing costs, £0.055m is the cost of the pay and display machines and £0.020m is for consultation and survey costs.				
The impact of any revenue from the new schemes has been included within the Parking On-Street budget, and any revenue surplus after ongoing costs will then be used to repay the capital borrowings costs over 7 years.				

New Capital Project Approval Request				
Unit:	Delivery Unit – Planning, Public Protection			
Project title:	Emergency Access Vehicle			
Total Project Cost (All Years):	£18,150			
Purpose, benefits and risks:				
<p>The Civil Contingencies Act 2004 places a statutory duty on local authorities to respond to civil emergencies in their areas. In practical terms this means attending incidents in support of emergency response services, providing humanitarian support to residents and specialist advice to partner responding agencies. This application for funding is to provide a vehicle to be available 24/7 carrying suitable equipment that is most likely to be needed at or near the scene on an incident.</p> <p>At present, this equipment is stored in buildings around the city that needs to be collected and transported to the scene, often causing considerable delay. The provision of this vehicle will greatly enhance the council's ability to respond to incidents.</p> <p>The vehicle requested will be a Ford Ranger 4 wheel drive vehicle to ensure access to remote locations or those difficult to access because of severe weather. It will routinely be used by the Civil Contingencies Team for day to day work, thus saving some internal officer costs, and be available to the 'on-call' Civil Contingencies Duty Officer if required.</p>				
Capital expenditure profile (£'000):				
Year	2012/13	2013/14	2014/15	TOTAL
Unsupported Borrowing	18	0	0	18
Total estimated costs and fees	18	0	0	18
Financial implications:				
<p>The cost of the loan for the vehicle has been included in the unit's revenue forecasts.</p>				

New Capital Project Approval Request				
Unit:	Delivery Unit – Housing & Social Inclusion (HRA Capital)			
Project title:	Feasibility & Design for Investment on Housing Land			
Total Project Cost (All Years):	£1,000,000			
Purpose, benefits and risks:				
<p>A report titled ‘Housing Investment 2012-2020: Strategy & implementation plan’ was approved by Housing Committee on 26th September which included the recommendation for the procurement of initial feasibility and design, on a number of case studies for housing opportunities on HRA land where appropriate at an estimated cost, including stakeholder engagement and consultation of £1 million.</p> <p>This request is to include a budget of £1 million in the HRA Capital Investment Programme, profiled to be spent over two financial years 2012/13 (£0.350 million) and 2013/14 (£0.650 million), so that this project can commence as per timetable in 2012/13 and be included in future TBM reports.</p>				
Capital expenditure profile (£'000):				
Year	2012/13	2013/14	2014/15	TOTAL
HRA Usable Reserves	350	650	0	1,000
Total estimated costs and fees	350	650	0	1,000
Financial implications:				
<p>The estimated costs of £1 million to take forward detailed feasibility, design and consultation work for housing opportunities on HRA land will be funded from HRA usable reserves over the two years.</p>				

Appendix 3 – Capital Programme Changes

New Capital Project Approval Request				
Unit:	Commissioner – Sports & Leisure			
Project title:	Saltdean Lido Emergency Works			
Total Project Cost (All Years):	£30,000			
Purpose, benefits and risks:				
A report titled 'Saltdean Lido Update' was approved by the Economic Development & Culture Committee on 20 September which included the recommendation for emergency works to be undertaken under urgency powers to be funded from the General Fund risk provision. The capital works amount to approximately £0.030m				
Capital expenditure profile (£'000):				
Year	2012/13	2013/14	2014/15	TOTAL
Direct Revenue Funding	30	0	0	30
Total estimated costs and fees	30	0	0	30
Financial implications:				
The cost of the works is £0.130m of which 0.030m is capital and £0.100m is revenue. The capital part of the spend will be funded by a revenue contribution from the General Fund risk provision.				

New Capital Project Approval Request				
Unit:	Delivery – Tourism & Leisure			
Project title:	i360			
Total Project Cost (All Years):	£17,793,000			
Purpose, benefits and risks:				
<p>A report titled 'i360 Loan Agreement' was approved by this Committee on 12 July which included under the financial implications that at the time of writing the profile of the loan drawdowns had yet to be agreed with Brighton i360 and therefore the amount to be included in the 2012/13, 2013/14 and 2014/15 programme would be reported to this committee as part of the TBM reporting process. The profile is hereby reported and shows that, based on the latest projections, it will be included in the 2013/14 & 2014/15 capital programmes.</p>				
Capital expenditure profile (£'000):				
Year	2012/13	2013/14	2014/15	TOTAL
Unsupported Borrowing	0	3,605	11,188	14,793
Local Enterprise Partnerships (LEP) Contribution	0	731	2,269	3,000
Total estimated costs and fees	0	4,336	13,457	17,793
Financial implications:				
<p>The i360 report on 12 July agreed the funding of the scheme; the information above clarifies the profile of payments for inclusion in the capital programme.</p>				

Value for Money Programme Performance

Projects	Savings Target £m	Achieved £m	Anticipated £m	Uncertain £m	Achieved %
Adult Social Care	1.172	0.828	0.344	0.000	70.6%
Children's Services	0.301	1.351	1.892	0.000	448.8%
ICT	0.361	0.233	0.067	0.061	64.5%
Procurement *	1.341	0.000	1.341	0.000	0.0%
Procurement (2011/12)	0.355	0.108	0.147	0.100	30.4%
Workstyles	0.270	0.200	0.070	0.000	74.1%
Systems Thinking/Process Efficiencies *	0.500	0.000	0.500	0.000	0.0%
Management & Admin	2.358	2.127	0.126	0.105	90.2%
Additional Management Savings 2012/13	0.275	0.100	0.175	0.000	36.4%
Client Transport	0.000	0.000	0.000	0.000	0.0%
Total All VFM Projects	6.933	4.947	4.662	0.266	71.4%

* These savings are 'non-cashable' and will be retained by the service areas in which they occur.

Explanation of 'Uncertain' VFM Savings:

Key Variances £'000	Description	Mitigation Strategy for Uncertain Savings
ICT		
61	A potential risk has arisen in relation to Telephony provision where anticipated savings may not be as high as expected. There are a number of contracts relating to this service area that need to be realigned in order to realise full potential savings and efficiencies.	ICT are continuing to work with Procurement Category Managers to review contractual arrangements and identify a possible route for restructuring contracts.
Procurement (2011/12)		
100	There is a residual saving of £0.355m held over from 2011/12 in relation to the Procurement VFM Project. £0.108m has been identified from Social Care contracts,	Contracts and supply categories (Category Management) are continually being reviewed as and when renewals, tenders and new procurements are notified. Where there

Key Variances £'000	Description	Mitigation Strategy for Uncertain Savings
	while a further £0.147m has been identified as potential savings. This leaves £0.100m yet to be identified from contracts where savings can be taken by the corporate centre.	is an opportunity to take a share of potential savings corporately, this will contribute to the outstanding 2011/12 savings target.
Management & Administration 105	The achievement of the Management & Administration saving was underpinned by a Voluntary Severance Scheme (VSS). The outcome of the Scheme, in financial terms, indicates that approximately £1.142m was achieved in 2011/12 leaving a full-year effect saving of £2.358m to be achieved in order to achieve the full saving of £3.500m over the two years. Currently, the savings target is expected to be achieved with the exception of £0.105m which is at risk.	Overall, significant savings of £3.395m are expected to be delivered against the two-year target of £3.500m. This represents a good result of 97% achievement against a challenging target. The Acting Chief Executive has also set out senior management arrangements following the departure of the Chief Executive and Strategic Directors and savings will be sufficient to cover the 'additional Management & Admin' target of £0.275m. The remaining shortfall will therefore need to be mitigated by one-off risk provisions in 2012/13 and proposals for meeting shortfalls identified in 2013/14..

Council Carbon Budgets for 2012/13

Emission Area	2010/11 Carbon footprint (CO ² tonnes)	2010/11 Spend (net £)	2011/12 Carbon Footprint (CO ² tonnes)	2011/12 Spend (net £)	2012/13 Carbon budget (CO ² tonnes)*
Gas	Housing (landlord level)	£591,164	3,439	£501,137	3,124
	Schools	£798,223	4,534	£713,573	4,022
	Corporate	£626,420	3,562	£552,196	3,245
Electricity	Housing (landlord level)	£586,327	2,761	£637,174	2,832
	Schools	£959,141	5,091	£938,330	5,111
	Corporate	£1,592,341	8,560	£1,426,612	7,765
	Street Lighting ***	£745,063	4,951	£922,412	4,835
Oil	Schools	£259,245	1,245	£250,100	960
	Corporate	£151,993	727	£150,976	580
Vehicle Fuel	All	£923,853	2,304	£1,064,933	2,161
Work-related travel**	Adults Assessment	£84,088	49	£96,661	49
	Adults Provider	£144,040	87	£157,263	88
	Children & Families	£429,993	231	£510,357	270
	Planning & Public Protection	£116,992	60	£113,992	52
	City Services	£60,832	29	£67,499	26
	Tourism & Leisure	£38,398	12	£39,543	13
	City Infrastructure	£84,353	50	£95,518	42
	Housing & Social Inclusion	£81,992	38	£125,801	48
TOTAL		£8,274,458	37,730	£8,364,077	35,223

2012/13 carbon budgets have been revised following the release of the 2011/12 actual data.

* Based on 4% reduction on 2011/12 performance

** For 2012/13 target areas for Business Travel include Delivery Units only (excluding schools, client travel, resources, finance and commissioning units). All spend was included in the Delivery Unit breakdown this year – last year only budgets with spend over £,1000 were included, hence an increase in some areas' footprints.

*** Excludes traffic signals

NOTES

The carbon budget for 2012/13 has been set to reflect what we can feasibly collect data for and includes our baseline emission areas. Energy consumption in buildings is based on a mixture of accurate readings and estimated billing and because of this our footprint provides an indication of energy consumption only. The installation of automated meter reading (AMR) devices will improve the accuracy of our footprints.

Business travel data is problematic due to miscoding by services; this footprint is as accurate as we can currently estimate and measures have been put in place to improve the accuracy of our footprint going forward.

Vehicle fuel data has improved dramatically over the last 2 years and the Fleet Manager is making continual improvements to data collection that will improve the accuracy of the footprint going forward.

Carbon budgets will need to be reviewed following any council restructure relevant to work related travel.

Direction of Travel

Corporate Buildings

Meeting the 4% reduction target is heavily reliant upon the closure of buildings to realise carbon savings. Between 2010/11 and 2011/12 corporate emissions reduced by 6%.

Schools

Schools are unlikely to meet the 4% reduction target.

During 2012/13 there is no planned work to improve energy efficiency of school buildings, but there is investment under the planned maintenance programme.

Between 2010/11 and 2011/12 electricity consumption increased; this is likely to be down to school floor areas continually expanding as a result of increasing pupil places and demand for places; and the increased demand for interactive white boards and PC's.

Housing (landlord level only)

Housing are on track to meet the 4% reduction target for both gas and electricity due to upgrading of boilers and lighting schemes. However, between 2010/11 and 2011/12 electricity consumption appeared to increase – this is due to data collection arrangements changing rather than an actual increase in emissions.

Street Lighting

Street lighting are projected to meet the 4% reduction target due to an extensive energy efficiency programme now in place. Between 2010/11 and 2011/12 electricity consumption increased – this is due to data cleansing and improved accuracy rather than an actual increase in emissions.

Fleet

The fleet replacement programme will reduce emissions by approximately 22% by 2016/17, due to the nature of the replacement schedule it is not possible to estimate specific carbon emission savings in 2012/13.

Between 2010/11 and 2011/12 fleet fuel emissions reduced by 2.3%.

Work Related Travel

It is not possible to forecast savings from work related travel because changes in emissions mostly relate to staff choice and behaviour change.

Carbon emissions related to work related travel did however reduce significantly between 2010/11 and 2011/12.

POLICY & RESOURCES COMMITTEE

11 October 2012

Agenda Item 55

Brighton & Hove City Council

Subject:	Annual Surveillance Policy.		
Date of Meeting:	11 October 2012		
Report of:	Interim Chief Executive		
Contact Officer:	Name:	Jo Player	Tel: 29-488
	Email:	jo.player@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 The purpose of the report is to appraise Committee of the activities that have been undertaken utilising the powers under the Regulation of Investigatory Powers Act 2000 (RIPA) since the last report to Committee in June 2012 and to confirm that these activities were authorised in line with the necessity and proportionality rules.
- 1.2 The report also informs Committee of the outcome of the recent audit of the Council's surveillance activity by the Office of the Surveillance Commissioners in June 2012.
- 1.3 The report also introduces a revised Policy and Guidance document that reflects the forthcoming changes to the legislation and the findings of the Surveillance Commissioner during her audit in June 2012.

2. RECOMMENDATIONS:

- 2.1 That Committee approves the continued use of covert surveillance as an enforcement tool to prevent and detect crime and disorder investigated by its officers, providing the activity is in line with the revised Policy and Guidance and the necessity and proportionality rules are stringently applied;
- 2.2 That Committee notes the surveillance activity undertaken by the authority since the report to Committee in June 2012 as set out in Appendix 1;
- 2.3 That Committee notes the findings of the Office of the Surveillance Commissioners' audit of the authority in June 2012;

- 2.4 That Committee approves the publication and use of the revised policy and Guidance document as set out in Appendix 2.
- 3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:**
- 3.1 The Regulation of Investigatory Powers Act 2000 (RIPA) is the law governing the use of covert surveillance techniques by Public Authorities, including local authorities. RIPA was enacted as part of a suite of legislation flowing from the implementation of the Human Rights Act 1997. The Act requires that when public authorities need to use covert techniques to obtain information about someone, they do it in a way that is necessary and proportionate and compatible with human rights.
- 3.2 RIPA regulates the interception of communications, directed and intrusive surveillance and the use of covert human intelligence sources (informants). Local authorities may only carry out directed surveillance, access certain communications data and use informants.
- 3.3 Appendix 1 details the uses made by the Council in the previous quarter and for the year as a whole.
- 3.4 The Protection of Freedoms Act has received Royal Assent and will be enacted from 1st November 2012. From this time, approval will need to be sought from a Magistrate when local authorities wish to conduct surveillance activity, access communications data or use an informant. This is in addition to the authorisation by an Authorising Officer who meets the criteria regarding their position within the authority.
- 3.5 In addition to seeking the approval of a Magistrate, all applications must meet the Serious Offence test. This stipulates that any directed surveillance is restricted to the investigation of offences that carry a custodial sentence of six months or more. The only offence where this will not apply is in regard to underage sales of alcohol and tobacco.
- 3.6 In June 2012 the Office of the Surveillance Commissioners (OSC) audited the authority's use of RIPA over the last three years, since the previous audit. The inspector reported that there have been improvements in the quality of applications since her last visit in 2009 that the agreed action plan had been implemented and that we continue to use the powers appropriately. She made further recommendations about the documentation maintained on the council's central register which have been implemented straight away to ensure full compliance with the Codes of Practice. A full day's training session had been provided for all relevant staff earlier in the year and she stressed the need to ensure ongoing guidance and training for applicants and authorising officers. She also

recommended that we update our Policy and Procedures to take into account the changes to be introduced with the implementation of the Protection of Freedoms Act and to provide further guidance on how to fill out the documentation required and an amended policy is attached at Appendix 2 for approval.

4. COMMUNITY ENGAGEMENT AND CONSULTATION

- 4.1 There has been no consultation in the compilation of this report.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 There are no direct financial implications arising from the recommendations in the report.

Finance Officer Consulted: Karen Brookshaw Date: 06/09/12

Legal Implications:

- 5.2 The legal framework governing the use of covert surveillance and accessing communications data is addressed in the body of the report. The revised policy and reporting measures will ensure that the powers are exercised lawfully, proportionately and consistently.

Lawyer Consulted: Elizabeth Culbert Date:05/09/12

Equalities Implications:

- 5.3 The proper and consistent application of the RIPA powers should ensure that a person's basic human rights are not interfered with, without justification. Each application will be assessed by the gatekeeper for necessity and proportionality prior to the authorisation by a restricted number of 'Authorising Officers'. The application will also be signed off by a Magistrate from 1 November 2012. This process should identify any inconsistencies or disproportionate targeting of minority groups and enable action to be taken to remedy any perceived inequality.

Sustainability Implications:

- 5.4 There are no sustainability implications.

Crime & Disorder Implications:

- 5.5 If used appropriately, the activities described in the report should enhance our capacity to tackle crime and disorder.

Risk and Opportunity Management Implications:

- 5.6 Any failure to comply with the provisions of the legislation could render any evidence obtained as inadmissible, resulting in a failed prosecution and have a detrimental impact on the Council's reputation.

Public Health Implications:

- 5.7 There are no public health implications.

Corporate / Citywide Implications:

- 5.8 Proper application of the powers will help to achieve fair enforcement of the law and help to protect the environment and public from rogue trading and illegal activity.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 The only alternative is to curtail the use of RIPA, but this is not considered an appropriate step.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 It is essential that officers are able to use the RIPA powers where necessary and within the new threshold, but only after excluding all other methods of enforcement. An authorisation will only be given by the relevant 'Authorising Officer' following vetting by the 'Gatekeeper'; therefore it is unlikely that the powers will be abused. From 1st November there will be the additional safeguard that a magistrate will also need to 'sign off' any application that falls within the RIPA regime.
- 7.2 The implementation of the Annual review and quarterly oversight has made the whole process transparent and demonstrates to the public that the correct procedures are followed.

SUPPORTING DOCUMENTATION

Appendices:

1. Details of the use of RIPA since previous report in June 2012
2. Revised Policy and Guidance document.

Documents in Members' Rooms

None

Background Documents

None

Brighton & Hove City Council

Corporate Policy & Procedures Document

On

The Regulation of Investigatory Powers Act 2000

(RIPA)

Use of Directed Surveillance
Use of Covert Human Intelligence Sources
Accessing Communications Data

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Version: September 2012

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Appendix 4 Guidance for Authorising Officers

Appendix 5 Guidance for Applicants

The Regulation of Regulatory Powers Act 2000 refers to 'Designated Officers'. For ease of understanding and application this document refers to 'Authorised Officers'.

Introduction

This document is based on the requirements of the Regulation of Investigatory Powers Act 2000 (RIPA) and the Home Office's Code of Practices for Directed Surveillance and Covert Human Intelligence Sources (CHIS) and Accessing Communications data. It takes into account the oversight provisions contained in the revised Code of Practice for Covert Surveillance and the revised Code of Practice that deals with Access to communications data that came into force on 6th April 2010. Officers should also bear in mind Procedures and Guidance issued by the Office of the Surveillance Commissioner in December 2011, when applying for, and authorising applications. This policy and procedures document sets out the means of compliance with, and use of, the Act by The Council. It is based upon the requirements of the Act and the Home Office's Codes of Practice on Covert Surveillance and Covert Human Intelligence Sources, together with the Revised Draft Code of Practice on Accessing Communications Data

The authoritative position on RIPA is the Act itself and any Officer who is unsure about any aspect of this document should contact the Trading Standards Manager or the Head of Law, for advice and assistance.

This document has been approved by elected members and is on 'The Wave'.

The Trading Standards Manager will maintain the Central Register of all authorisations, reviews, renewals, cancellations and rejections. It is the responsibility of the relevant Authorised Officer to ensure that relevant form is submitted within 1 week of its completion.

This document will be subject to an annual review by the Trading Standards Manager and will be approved by Elected members.

In terms of monitoring e-mails and internet usage, it is important to recognise the interplay and overlap with the Council's Information Technology policies and guidance, the Telecommunications (Lawful Business Practice)(Interception of Communications) Regulations 2000, the Data Protection Act 1998 and its draft Code Of Practice. RIPA forms should only be used where **relevant** and they will only be **relevant** where the **criteria** listed are fully met.

Policy Statement

The Council takes its statutory responsibilities seriously and will at all times act in accordance with the law and takes necessary and proportionate action in these types of matters. In that regard the Trading Standards Manager is duly authorised to keep this document up to date and amend, delete, add or substitute relevant provisions, as necessary. For administrative and operational effectiveness, the Trading Standards Manager is authorised to add or substitute Authorised Officers with the agreement of the Senior Responsible Officer.

It is this Council's Policy that

- All covert surveillance exercises conducted by the Council should comply with the requirements of RIPA
- An Authorisation will only be valid if initialled by a gatekeeper and signed by an authorised officer.
- Authorising 'Access to Communications data' will be restricted to the Trading Standards Manager. The National Anti Fraud Network will become the Single Point of Contact for purposes of Access to Communications Data.

Senior Responsible Officer

The revised Code of Practice recommends that each public authority appoints a Senior Responsible Officer. This officer will be responsible for the integrity of the process in place within the public authority to authorise directed surveillance; compliance with the relevant Acts and Codes of Practice; engagement with the Commissioners and Inspectors when they conduct their inspections and where necessary overseeing the implementation of any post inspection action plans recommended or approved by a Commissioner.

The Senior Responsible Officer should be a member of the corporate management Team and for the purposes of this policy the Director of Finance and Resources (Interim Chief Executive) has been so delegated. It is the responsibility of the Senior Responsible Officer to ensure that all authorising officers are of an appropriate standard in light of any recommendations in the inspection reports prepared by the Office of the Surveillance Commissioners. Where an inspection report highlights concerns about the standards of authorising officers, it is the responsibility of the Senior Responsible Officer to ensure these concerns are addressed.

Authorised Officers Responsibilities

The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010 and the Regulation of Investigatory Powers (Communications Data) Order 2010, specify the seniority of officers who are able to authorise surveillance activity and access to communications data. These are Directors, Head of Service, Service Manager or equivalent.

It is essential that Senior Managers and Authorised Officers take personal responsibility for the effective and efficient operation of this document.

It is the responsibility of the Senior Responsible Officer in conjunction with the Trading Standards Manager to ensure that sufficient numbers of Authorised Officers receive suitable training on RIPA and this document, and that they are competent.

It will be the responsibility of those Authorised Officers to ensure that relevant members of staff are also suitably trained as 'Applicants'.

An authorisation must not be approved until the Authorised Officer is satisfied that the activity proposed is necessary and proportionate.

However it will be the responsibility of the gatekeeper to review any applications prior to submission to the Authorised Officer. They should ensure that the correct form, has been used. These are the latest Home Office forms and are available on the HO website or via the Wave and that the applicant has obtained a Unique Reference Number (URN) from the PA Head of Regulatory Services. The gatekeeper should also ensure that the form has been correctly completed and contains sufficient detail and information to enable the authorised officer to make an informed decision whether to authorise the application. The gatekeeper should also scrutinise the form to ensure that it complies with the necessity and proportionality requirements before the authorised officer receives the form. A gatekeeper should be a person with sufficient knowledge and understanding of the enforcement activities of the relevant public body, who should vet the applications as outlined above. Once the gatekeeper is satisfied with the application they should initial the form and submit any comments on the application in writing to the Authorised Officer and provide necessary feedback to the applicant. In order that there is consistency with the quality of applications the Trading Standards Manager and Principal Trading Standards Officer will act as gatekeepers for the Council.

- **Necessary** in this context includes consideration as to whether the information sought could be obtained by other less invasive means, and that those methods have been explored and been unsuccessful or could have compromised the investigation. The Authorised Officer must be satisfied that there is necessity to use covert surveillance in the proposed operation. In order to be satisfied there must be an identifiable offence to prevent or detect before an authorisation can be granted on the grounds falling within sec 28(3)(b) and 29(3)(b) of RIPA and ss6(3) and 7(3) of RIP(S)A. The application should identify the **specific offence** being investigated (**including the Act and section**) and the **specific point(s) to prove** that the surveillance is intended to gather evidence about. The applicant must show that the operation is **capable of gathering that evidence** and that such **evidence is likely to prove** that part of the offence.
- Deciding whether the activity is **proportionate** includes balancing the right to privacy against the seriousness of the offence being investigated. Consideration must be given as to whether the activity could be seen as excessive. An authorisation should demonstrate how the Authorised Officer has reached the conclusion that the activity is proportionate to what it seeks to achieve; including an explanation of the reasons why the method, tactic or technique proposed is not disproportionate to what it seeks to achieve. A potential model answer would make it clear that the 4 elements of proportionality had been fully considered.
 1. balancing the size and scope of the operation against the gravity and extent of the perceived mischief,
 2. Explaining how and why the methods to be adopted will cause the least possible intrusion on the target and others,
 3. That the activity is an appropriate use of the legislation and the only reasonable way, having considered all others, of obtaining the necessary result and,
 4. Evidencing what other methods had been considered and why they were not implemented.

Authorised Officers must pay particular attention to Health & Safety issues that may be raised by any proposed surveillance activity. Approval must not be given until such time as any health and safety issue has been addressed and/or the risks identified are minimised.

Authorised Officers must ensure that staff who report to them follow this document and do not undertake any form of surveillance, or access communications data, without first obtaining the relevant authorisation in compliance with this document.

Authorised Officers must ensure when sending copies of any forms to the Trading Standards Manager for inclusion in the Central Register, that they are sent in **sealed** envelopes and marked **Strictly Private & Confidential**.

General Information on RIPA

The Human Rights Act 1998 (which brought much of the European Convention on Human Rights and Fundamental Freedoms 1950 into UK domestic law) requires the City Council, and organisations working on its behalf, to respect the private and family life of citizens, his home and his correspondence.

The European Convention did not make this an absolute right, but a qualified right. Therefore, in certain circumstances, the City Council may interfere in an individual's right as mentioned above, if that interference is:-

- (a) **In accordance with the law;**
- (b) **Necessary;** and
- (c) **Proportionate.**

The Regulation of Investigatory Powers Act 2000 (RIPA) provides a statutory mechanism (i.e. 'in accordance with the law') for authorising **covert surveillance** and the use of a '**covert human intelligence source**' ('CHIS') – e.g. undercover agents, and **Accessing Communications data**. It seeks to ensure that any interference with an individual's right under Article 8 of the European Convention is necessary and proportionate. In doing so, the RIPA seeks to ensure both the public interest and the human rights of individuals are suitably balanced.

Directly employed Council staff and external agencies working for the City Council are covered by the Act for the time they are working for the City Council. All external agencies must, therefore, comply with RIPA and the work carried out by agencies on the Council's behalf must be properly authorised by an Authorising Officer after scrutiny by a gatekeeper.

A list of officers who may authorise Directed Surveillance is kept by the Trading Standards Manager and the current list is attached at **Appendix 1**. This list will be updated annually. The designated gatekeepers for the Council are the Principal Trading Standards Officer and the Trading Standards Manager. For the purposes of Accessing Communications Data the Designated Persons (Authorised Officers) is the Trading Standards Manager.

If the correct procedures are not followed, evidence may be dis-allowed by the courts, a complaint of mal-administration could be made to the Ombudsman, and/or the Council could be ordered to pay compensation. Such action would not, of course, promote the good reputation of the City Council and will, undoubtedly, be the subject of adverse press and media interest.

A flowchart of the procedures to be followed appears at **Appendix 2**. A list of useful websites is available at **Appendix 3**

What RIPA Does and Does Not Do

RIPA does:

- Requires prior authorisation of directed surveillance
- Prohibits the Council from carrying out intrusive surveillance
- Requires authorisation of the conduct and use of a CHIS
- Require safeguards for the conduct and use of a CHIS
- Requires proper authorisation to obtain communication data
- Prohibits the Council from accessing 'traffic data'

RIPA does not:

- Make unlawful conduct which is otherwise lawful
- Prejudice or dis-apply any existing powers available to the City Council to obtain information by any means not involving conduct that may be authorised under this Act. For example, it does not affect the Council's current powers to obtain information via the DVLA or to get information from the Land Registry as to the ownership of a property.

If the Authorised Officer or any Applicant is in any doubt, they should ask the Trading Standards Manager or the Head of Law before any directed surveillance, CHIS, or Access to Communications is authorised, renewed, cancelled or rejected.

Types of Surveillance

'Surveillance' includes

- Monitoring, observing, listening to persons, watching or following their movements, listening to their conversations and other such activities or communications.
- Recording anything mentioned above in the course of authorised surveillance
- Surveillance, by or with, the assistance of appropriate surveillance device(s).

Surveillance can be overt or covert.

Overt Surveillance

Most surveillance activity will be done overtly, that is, there will be nothing secretive, clandestine or hidden about it. In many cases, officers will be behaving in the same way as a normal member of the public (e.g. in the case of most test purchases), and/or will be going about Council business openly (e.g. a Neighbourhood Warden walking through the estate).

Similarly, surveillance will be overt if the subject has been told it will happen (e.g. where a noisemaker is warned (preferably in writing) that noise will be recorded if the noise continues, or where an entertainment licence is issued subject to conditions, and the licensee is told that officers may visit without notice or identifying themselves to the owner/proprietor to check that the conditions are being met).

The following are NOT normally Directed Surveillance:

- Activity that is observed as part of normal duties, e.g. by an officer in the course of day-to-day work.
- CCTV cameras (unless they have been directed at the request of investigators) – these are overt or incidental surveillance, and are regulated by the Data Protection Act.

Covert Surveillance

Covert Surveillance is carried out in a manner calculated to ensure that the person subject to the surveillance is unaware of it taking place. (Section 26(9)(a) RIPA) It is about the intention of the surveillance, not about whether they are actually aware of it; it is possible to be covert in Council uniform where, for example, the person is intended to mistake the reason for the officer being there.

RIPA regulates two types of covert surveillance, (Directed Surveillance and Intrusive Surveillance) and the use of Covert Human Intelligence Sources (CHIS).

Directed Surveillance

Directed Surveillance is surveillance which: -

- Is covert; and
- Is not intrusive surveillance;
- Is not carried out in an immediate response to events which would otherwise make seeking authorisation under the Act unreasonable, e.g. spotting something suspicious and continuing to observe it; and
- It is undertaken for the purpose of a **specific investigation** or **operation** in a manner **likely to obtain private information** about an individual (whether or not that person is specifically targeted for purposes of an investigation).

Private information in relation to a person includes any information relating to his private and family life, his home and his correspondence. The fact that covert surveillance occurs in a public place or on business premises does not mean that it cannot result in the obtaining of private information about a person. Prolonged surveillance targeted on a single person will undoubtedly result in the obtaining of private information about him/her and others that s/he comes into contact, or associates, with.

Examples of Expectations of Privacy:

Two people are holding a conversation on the street and, even though they are talking together in public, they do not expect their conversation to be overheard and recorded by anyone. They have a 'reasonable expectation of privacy' about the contents of that conversation, even though they are talking in the street. The contents of such a conversation should be considered as private information. A directed surveillance authorisation would therefore be appropriate for a public authority to record or listen to the conversation as part of a specific investigation or operation and otherwise than by way of an immediate response to events. A Surveillance officer intends to record a specific person providing their name and telephone number to a shop assistant, in order to confirm their identity, as part of a criminal investigation. Although the person has disclosed these details in a public place, there is nevertheless a reasonable expectation that the details are not being recorded separately for another purpose. A directed surveillance authorisation

should therefore be sought.

For the avoidance of doubt, only those officers designated as 'Authorised Officers' for the purpose of RIPA can authorise 'Directed Surveillance' IF, AND ONLY IF, the RIPA authorisation procedures detailed in this document, are followed.

Reconnaissance- Examples

Officers wish to drive past a café for the purposes of obtaining a photograph of the exterior. Reconnaissance of this nature is not likely to require a directed surveillance authorisation as no private information about any person is likely to be obtained or recorded. If the officers chanced to see illegal activities taking place, these could be recorded and acted upon as 'an immediate response to events'. If, however, the officers intended to carry out the exercise at a specific time of day, when they expected to see unlawful activity, this would not be reconnaissance but directed surveillance, and an authorisation should be considered. Similarly, if the officers wished to conduct a similar exercise several times, for example to establish a pattern of occupancy of the premises by any person, the accumulation of information is likely to result in the obtaining of private information about that person or persons and a directed surveillance authorisation should be considered

Intrusive Surveillance

This is when it: -

- Is covert;
- Relates to residential premises and private vehicles; and
- Involves the presence of a person in the premises or in the vehicle or is carried out by a surveillance device in the premises/vehicle. Surveillance equipment mounted outside the premises will not be intrusive, unless the device consistently provides information of the same quality and detail as might be expected if they were in the premises/vehicle.

Only police and other law enforcement agencies can carry out this form of surveillance.

Council Officers must not carry out intrusive surveillance.

Notes about 'Intrusive'

Surveillance is generally 'Intrusive' only if the person is on the same premises or in the same vehicle as the subject(s) of the surveillance. Carrying out surveillance using private residential premises (with the consent of the occupier) as a 'Static Observation Point' does not make that surveillance 'Intrusive'. A device used to enhance your external view of property is almost never an *intrusive* device. A device would only become *intrusive* where it provided a high quality of information from inside the *private residential premises*. A device used to enhance your external view of property is almost never an *intrusive* device. A device would only become *intrusive* where it provided a high quality of information from inside the *private residential premises*. If premises under surveillance are known to be used for legally privileged communications, that surveillance must also be treated as *intrusive*

Examples :

Officers intend to use an empty office to carry out surveillance on a person who lives opposite. As the office is on the 4th floor, they wish to use a long lens and binoculars so that they can correctly identify and then photograph their intended subject covertly. This is NOT intrusive surveillance, as the devices do not provide high quality evidence from inside the subject's premises. Officers intend using a surveillance van parked across the street from the subject's house. They could see and identify the subject without binoculars but have realised that, if they use a 500mm lens, as the subject has no net curtains or blinds, they should be able to see documents he is reading. This IS intrusive surveillance, as the evidence gathered is of a high quality, from inside the premises, and is as good as could be provided by an officer or a device being on the premises.

Examples of different types of Surveillance

Type of Surveillance	Examples
<u>Overt</u>	<ul style="list-style-type: none"> Police Officer or Parks Warden on patrol Sign-posted Town Centre CCTV cameras (in normal use) Recording noise coming from outside the premises after the occupier has been warned that this will occur if the noise persists. Most test purchases (where the officer behaves no differently from a normal member of the public).
<u>Covert</u> but not requiring prior authorisation	<ul style="list-style-type: none"> CCTV cameras providing general traffic, crime or public safety information.

<u>Directed</u> (must be RIPA authorised)	<ul style="list-style-type: none"> ▪ Officers follow an individual or individuals over a period, to establish whether s/he is working when claiming benefit or off long term sick from employment. ▪ Test purchases where the officer has a hidden camera or other recording device to record information that might include information about the private life of a shop-owner, e.g. where s/he is suspected of running his business in an unlawful manner.
<u>Intrusive</u>	<ul style="list-style-type: none"> ▪ Planting a listening or other device (bug) in a person's home or in their private vehicle. <p>THE COUNCIL CANNOT CARRY OUT THIS ACTIVITY AND FORBIDS ITS OFFICERS FROM CARRYING IT OUT</p>

Conduct and Use of a Covert Human Intelligence Source (CHIS)

Who is a CHIS?

A Covert Human Intelligence Source (CHIS) is someone who establishes or maintains a personal or other relationship for the covert purpose of helping the covert use of the relationship to obtain information.

RIPA does not apply in circumstances where members of the public volunteer information to the Council or to contact numbers set up to receive such information (such as benefit fraud hotlines).

A relationship is covert if it is conducted in a manner that is calculated to ensure that one of the parties to the relationship is unaware of its purpose.

If a person who volunteers information is then asked to obtain further information, it is likely that they would either become a CHIS or that a directed surveillance authorisation should be considered.

Examples of a CHIS may include:

- Licensing officers, working with the Police, covertly building a business relationship with a cab company which is believed to be using unlicensed drivers.
- Food safety officers posing as customers to get information on what is being sold at premises and developing a relationship with the shopkeeper beyond that of supplier and customer

What must be authorised?

Officers must not create or use a CHIS without prior authorisation.

- Creating (or “Conduct of”) a CHIS means procuring a person to establish or maintain a relationship with a person so as to secretly obtain and pass on information. The relationship could be a personal or ‘other’ relationship (such as a business relationship) and obtaining the information may be either the only reason for the relationship or be incidental to it. Note that it can also include asking a person to continue a relationship which they set up of their own accord.
- Use of a CHIS includes actions inducing, asking or assisting a person to act as a CHIS and the decision to use a CHIS in the first place.

Juvenile Sources

Special safeguards apply to the use or conduct of juvenile sources (i.e. under 18 year olds). **On no occasion can a child under 16 years of age be authorised to give information against his or her parents.**

Authorisations for juvenile CHIS must not be granted unless: -

- A risk assessment has been undertaken as part of the application, covering the physical dangers and the psychological aspects of the use of the child
- The risk assessment has been considered by the Authorised Officer and he is satisfied that any risks identified in it have been properly explained; and
- The Authorising Officer has given particular consideration as to whether the child is to be asked to get information from a relative, guardian or any other person who has for the time being taken responsibility for the welfare of the child.

Only the Chief Executive may authorise the use of Juvenile Sources.

Vulnerable Individuals

A Vulnerable Individual is a person who is or may be in need of community care services by reason of mental or other disability, age or illness and who is or may be unable to take care of himself or herself, or unable to protect himself or herself against significant harm or exploitation.

A Vulnerable Individual will only be authorised to act as a source in the most exceptional of circumstances. Only the Chief Executive may authorise the use of Vulnerable Individuals.

Test Purchases

Carrying out test purchases will not require the purchaser to establish a relationship with the supplier with the covert purpose of obtaining information and, therefore, the purchaser will not normally be a CHIS. For example, authorisation would not normally be required for test purchases carried out in the ordinary course of business (e.g. walking into a shop and purchasing a product over the counter).

By contrast, developing a relationship with a person in the shop, to obtain information about the seller's suppliers of an illegal product (e.g. illegally imported products) will require authorisation as a

CHIS. Similarly, using mobile hidden recording devices or CCTV cameras to record what is going on in the shop will require authorisation as directed surveillance. A combined authorisation can be given for a CHIS and also directed surveillance.

Anti-social behaviour activities (e.g. noise, violence, racial harassment etc)

Persons who complain about anti-social behaviour, and are asked to keep a diary, will not normally be a CHIS, as they are not required to establish or maintain a relationship for a covert purpose. Recording the level of noise (e.g. the decibel level) will not normally capture private information and, therefore, does not require authorisation.

Recording sound (with a DAT recorder) on private premises could constitute intrusive surveillance, unless it is done overtly. For example, it will be possible to record if the noisemaker is warned that this will occur if the level of noise continues.

Placing a covert stationary or mobile video camera outside a building to record anti social behaviour on residential estates will require prior authorisation.

Accessing Communications Data

Local authority employees (except Housing Benefit Officers) will no longer be able to use their powers under relevant legislation and the exemption under the Data Protection Act 1998. The disclosure of communications data by Communication service providers will now only be permitted if a Notice to obtain and disclose (or in certain circumstances an Authorisation for an Officer to obtain it themselves) has been issued by the 'Designated person'.

Authorities are required to nominate Single Point of Contacts (SPOC) and that person(s) must have undertaken accredited training.

'Designated Persons' within the Council is now limited to the Trading Standards Manager.

Local authorities may only access to Customer Data or Service Data. **They cannot access 'traffic data'.**

Customer data (Subscriber)

Customer data is the most basic information about users of communication services.

It includes:-

- The name of the customer
- Addresses for billing, etc.
- Contact telephone numbers
- Abstract personal records provided by the customer (e.g. demographic information or sign up data)
- Account information (bill payment arrangements, bank or credit/debit card details)
- Services subscribed to.

Service Data (Service user)

This relates to the use of the Service Provider services by the customer, and includes:-

- Periods during which the customer used the service

- Information about the provision and use of forwarding and re-direction services
- Itemised records of telephone calls, internet connections, etc
- Connection, disconnect and re-connection
- Provision of conference calls, messaging services, etc
- Records of postal items, etc
- Top-up details for pre-pay mobile phones.

Traffic Data

This is data about the communication. It relates to data generated or acquired by the Service Provider in delivering or fulfilling the service. **Local authorities do not have access to this data.**

Authorisation Procedures

Directed surveillance and the use of a CHIS can only be lawfully carried out if properly authorised, and in strict accordance with the terms of the authorisation. **Appendix 2** provides a flow chart of the process to be followed.

Authorised Officers

Directed surveillance and or the use of CHIS can only be authorised by the officers listed in this document attached at appendix 2. Authorised officers will be removed from this list if they do not attend the required training programmes. The list will be kept up to date by the Trading Standards Manager and amended as necessary. The SRO can add, delete or substitute posts to this list as required.

Authorisations under RIPA are separate from delegated authority to act under the Council's Scheme of Delegation and internal departmental Schemes of Management. RIPA authorisations are for specific investigations only, and must be renewed or cancelled once the specific surveillance is complete or about to expire.

Only the Chief Executive can authorise the use of a CHIS who is a juvenile or a vulnerable person or in cases where the it is likely that confidential information will be obtained through the use of surveillance.

Authorised Officers–Access to Communications data

The Trading Standards Manager is the 'Designated person' permitted to authorise the obtaining and disclosing of communications data. The National Anti Fraud Network will be the Single Point of Contact.

Training Records

A certificate of attendance will be given to anyone undertaking training in relation to the use of RIPA. Training will be recorded on their individual learning and development plan.

Single Points of Contact under Part 1 of the Act are required to undertake accredited training. A record will be kept of this training and any updating. This record is kept by NAFN. Designated persons are also required to be suitably trained.

Application Forms

Only the currently approved forms, available on the Home Office website, may be used. Any other forms will be rejected by the authorising officer. Applications for communications data should be made via the NAFN website. Please contact NAFN for further information on this process – contact details on the Wave.

A gatekeeper role will be undertaken by either the Trading Standards Manager or the Principal Trading Standards Officer who will check that the applications have been completed on the correct forms, have a URN and that they contain sufficient grounds for authorisation. They will provide feedback to the applicant and will initial the forms before being submitted to the authorised officer. The Trading Standards Manager can fulfil both the role as gatekeeper and authorised officer but will not fulfil both roles for an individual application.

Grounds for Authorisation

Directed Surveillance or the Conduct and Use of the CHIS and Access to Communications Data can be authorised by an Authorised Officer where he believes that the authorisation is necessary in the circumstances of the particular case. For local authorities the only ground that authorisation can be granted is;

- For the prevention or detection of crime or disorder

Serious Crime

From 1st November 2012, the Protection of Freedoms Act will introduce additional requirements for officers seeking to use directed surveillance or CHIS. From this date, with the exception of Trading Standards' work regarding test purchases for age restricted goods, all applications must meet the 'serious crime' threshold. This has been identified as any offence for which the offender could be imprisoned for 6 months or more. An analysis of relevant offences indicates that covert surveillance may therefore be used by Housing Benefit (Fraud), Trading Standards (various offences including doorstep crime and counterfeiting), Waste Enforcement (fly tipping), Fraud against the Council and Child Protection and Adult Safeguarding issues. Where an offence meets the serious crime threshold, the applicant will apply to the Authorised Officer in the normal way via a gatekeeper, but will then need to attend Magistrate's Court to obtain judicial sign off.

Non RIPA Surveillance

This new process will automatically restrict the use of surveillance activity under the RIPA framework by a number of our services as the offences they deal with do not meet the serious crime threshold. RIPA does not grant any powers to carry out surveillance, it simply provides a framework that allows Authorities to authorise surveillance in a manner that ensures compliance with the European Convention on Human Rights. Equally, RIPA does not prohibit surveillance from being carried out or require that surveillance may only be carried out following a successful RIPA application.

Whilst it is the intention of this Authority to use RIPA in all circumstances where it is available, for a Local Authority, this is limited to preventing or detecting crime or disorder and from 1st November 2012 to serious crime. The Authority recognises that there are times when it will be necessary to carry out covert directed surveillance when RIPA is not available to use. Under such circumstances, a RIPA application must be completed and clearly endorsed in red 'NON-RIPA SURVEILLANCE' along the top of the first page. The application must be submitted to a RIPA Authorising Officer in the normal fashion, who must consider it for Necessity and Proportionality in the same fashion as they would a RIPA application. The normal procedure of timescales, reviews and cancellations must be followed. Copies of all authorisations or refusals, the outcome of reviews or renewal applications and eventual cancellation must be notified to the Trading Standards Manager who will keep a separate record of Non-RIPA activities, and monitor their use in the same manner as RIPA authorised activities.

Assessing the Application Form

Before an Authorised Officer authorises an application, **they must**

Be mindful of this Corporate Policy & Procedures Document

Satisfy themselves that the RIPA authorisation is

- **in accordance with the law,**
- **Necessary** in the circumstances of the particular case on the ground specified above; and
- **Proportionate** to what it seeks to achieve

This means that they must consider

- whether other less invasive methods to obtain the information have been considered. The least intrusive method will normally be considered the most proportionate unless for example it is impractical or would undermine the investigation.
- balance the right of privacy against the seriousness of the offence under investigation. When considering necessity and proportionality, an authorising officer should spell out in terms of the 5 W's, (who, what, why, where, when and how) what specific activity is being sanctioned.
- Take account of the risk of intrusion into the privacy of persons other than the specified subject of the surveillance (**Collateral Intrusion**).
- Ensure that measures are taken wherever practicable to avoid or minimise collateral intrusion.
- Set a date for review of the authorisation and review on only that date where appropriate.

- Ensure that the form carries a unique reference number
- Ensure that the applicant has sent a copy to the Trading Standards Manager for inclusion in the Central Register within 1 week of the authorisation.
- Ensure that the application is cancelled when required.

NB the application **MUST** make it clear how the proposed intrusion is necessary and how an absence of this evidence would prejudice the outcome of the investigation. If it does not then the application **SHOULD** be refused. Some guidance on how to complete the form for both authorising officers and applicants is available at **Appendix 4 and Appendix 5**

Retention and Destruction of the Product

Where the product of surveillance could be relevant to pending or future legal proceedings, it should be retained in accordance with established disclosure requirements for a suitable further period. This should be in line with any subsequent review. Attention should be drawn to the requirements of the Code of Practice issued under the Criminal Procedures and Investigations Act 1996. This states that material obtained in the course of a criminal investigation and which may be relevant to the investigation must be recorded and retained.

There is nothing in RIPA 2000 which prevents material obtained from properly authorised surveillance being used in other investigations. However we must be mindful to handle store and destroy material obtained through the use of covert surveillance appropriately. It will be the responsibility of the Authorised Officer to ensure compliance with the appropriate data protection requirements and to ensure that any material is not retained for any longer than is necessary. It will also be the responsibility of the Authorised Officer to ensure that the material is disposed of appropriately.

Confidential Material

Particular care should be taken where the subject of the investigation or operation might reasonably expect a high degree of privacy, or where confidential information is involved.

Confidential Information consists of matters subject to legal privilege, confidential personal information or confidential journalistic information. So for example extra care should be taken where through the use of surveillance, it would be possible to obtain knowledge of discussions between a minister of religion and an individual relating to the latter's spiritual welfare, or where matters of medical or journalistic confidentiality, or legal privilege may be involved.

Where it is likely, through the use of surveillance, that confidential information will be obtained, authorisation can only be granted by Heads of Service or in their absence the Chief Executive.

Descriptions of what may constitute legally privileged information are set out in section 98 of Police Act 1997 and further guidance is set out in Paragraphs 3.4-3.9 of the Home Office Code of Practice on Covert Surveillance.

Confidential Personal Information and Confidential Journalistic Information

Similar considerations to those involving legally privileged information must also be given to authorisations that involve the above. Confidential personal information is information held in

confidence relating to the physical or mental health or spiritual counselling concerning an individual (whether living or dead) who can be identified from it. This information can be either written or oral and might include consultations between a doctor and patient or information from a patient's medical records. Spiritual counselling means conversations between an individual and a Minister of Religion acting in an official capacity, where the individual being counselled is seeking or the Minister is imparting forgiveness, absolution or the resolution of conscience with the authority of the Divine Being(s) of their faith.

Confidential journalistic material includes material acquired or created for the purpose of journalism and held subject to an undertaking to hold it in confidence, as well as communications resulting in information being acquired for the purposes of journalism and held subject to such an undertaking.

Further information or guidance regarding Confidential Information can be obtained from the Head of Law or the Trading Standards Manager.

Additional Safeguards when Authorising a CHIS

When authorising the conduct or use of a CHIS, the Authorised Officer **must also**

- Be satisfied that the **conduct** and/or **use** of the CHIS is proportionate to what is sought to be achieved;
- Be satisfied that **appropriate arrangements** are in place for the management and oversight of the CHIS and this must address health and safety issues through a risk assessment; At all times there will be a person designated to deal with the CHIS on behalf of the authority and for the source's security and welfare. This person should be in at least the position of Head of Service.
- Consider the likely degree of intrusion of all those potentially affected;
- Consider any adverse impact on community confidence that may result from the use or conduct or the information obtained; and
- Ensure **records** contain particulars and are not available except on a need to know basis

Records must be kept that contain the information set out in Statutory Instrument 2000/2725 – The regulation of Investigatory Powers (Source Records) Regulations 2000. Further guidance on the requirements can be obtained from the Head of Trading Standards.

Urgent Authorisations

In exceptional circumstances urgent authorisations may be given orally if the time that would elapse before a written authorisation can be granted would be likely to endanger life or jeopardise the investigation or operation for which the authorisation was being given.

It will not be urgent where the need for authorisation has been neglected or is of the officer's own making.

If an officer wishes to obtain urgent oral authorisation for surveillance, he must telephone an Authorising Officer to provide the following information:

- Full details of the person to be subject of the surveillance;
- The offence being investigated, and its seriousness;
- How the investigation is necessary to the business of the Authority;
- How surveillance is necessary to the investigation;
- How surveillance is proportionate bearing in mind the offence, the expectation of privacy and the collateral intrusion; and
- What the impact of ceasing surveillance and obtaining a written authorisation would be.

Urgent authorisations should last for no more than 72 hours. They must be recorded in writing on the standard form as soon as practicable and include an explanation of why the authorisation was urgent.

Duration

The application form **must be reviewed in the time stated and cancelled** once it is no longer needed. The 'authorisation' to conduct the surveillance lasts for a maximum of 3 months for Directed Surveillance and 12 months for a Covert Human Intelligence Source. In respect of a notice or authorisation to obtain communications data the period is one month.

Authorisations can be renewed in writing when the maximum period has expired. The Authorising Officer must consider the matter afresh, including taking into account the benefits of the surveillance to date, and any collateral intrusion that has occurred.

The renewal will begin on the day when the authorisation would have expired.

Urgent authorisations, if not ratified by written authorisation, will cease to have effect after 72 hours, beginning from the time when the authorisation was granted.

Working with Other Agencies

If an officer wishes to utilise the CCTV system operated by the Police Directed Surveillance Authorisation must be obtained before an approach is made to the Control Room. If immediate action is required an Authorisation must be obtained within 72 hours of the request being made.

When some other agency has been instructed on behalf of the City Council to undertake any action under RIPA, this Document and the Forms in it must be used (as per normal procedure) and the

agency advised or kept informed, as necessary, of the various requirements. They must be made aware explicitly what they are authorised to do.

When another Enforcement Agency (e.g. Police, HMRC etc): -

Wish to use the City Council's resources (e.g. CCTV surveillance systems), that agency must use its own RIPA procedures. Before any Officer agrees to allow the City Council's resources to be used for the other agency's purposes, they must obtain a copy of that agency's RIPA form, or written confirmation that a Directed Surveillance Authorisation is in place.

Wish to use the City Council's premises for their own RIPA action, the Officer should, normally, co-operate with the same, unless there is security or other good operational or managerial reasons as to why the City Council's premises should not be used for the agency's activities. Suitable insurance or other appropriate indemnities may be sought, if necessary, from the other agency for the City Council's co-operation in the agent's RIPA operation. In such cases, however, the City Council's own RIPA forms should not be used as the City Council is only 'assisting' not being 'involved' in the RIPA activity of the external agency.

Record Management

A Central Register of all Authorisation Forms will be maintained and monitored by the Trading Standards Manager.

Records maintained in the Department

- A copy of the Forms together with any supplementary documentation and notification of the approval given by the Authorising Officer;
- A record of the period over which the surveillance has taken place;
- The frequency of reviews prescribed by the Authorised Officer;
- A record of the result of each review of the authorisation;
- A copy of any renewal of an authorisation, together with supporting
- Documentation submitted when the renewal was requested;
- The date and time when any instruction was given by the Authorised Officer;
- The Unique Reference Number for the authorisation (URN).

Central Register maintained by Trading Standards

Authorised Officers must forward details of each Form to Trading Standards for the Central Register, **within 1 week of the authorisation, review, renewal, cancellation or rejection.**

Records will be retained records for three years from the ending of the authorisation. The Office of the Surveillance Commissioners (OSC) and the Interception Commissioner can audit/review the City Council's policies and procedures, and individual authorisations.

Consequences of Non Compliance

Where covert surveillance work is being proposed, this Policy and Guidance must be strictly adhered to in order to protect both the Council and individual officers from the following:

- **Inadmissible Evidence and Loss of a Court Case / Employment Tribunal / Internal Disciplinary Hearing** – there is a risk that, if Covert Surveillance and Covert Human Intelligence Sources are not handled properly, the evidence obtained may be held to be

inadmissible. Section 78 of the Police and Criminal Evidence Act 1984 allows for evidence that was gathered in a way that affects the fairness of the criminal proceedings to be excluded. The Common Law Rule of Admissibility means that the court may exclude evidence because its prejudicial effect on the person facing the evidence outweighs any probative value the evidence has (probative v prejudicial).

- **Legal Challenge** – as a potential breach of Article 8 of the European Convention on Human Rights, which establishes a “right to respect for private and family life, home and correspondence”, incorporated into English Law by the Human Rights Act (HRA) 1998. This could not only cause embarrassment to the Council but any person aggrieved by the way a local authority carries out Covert Surveillance, as defined by RIPA, can apply to a Tribunal – see section 15.
- **Offence of unlawful disclosure** – disclosing personal data as defined by the DPA that has been gathered as part of a surveillance operation is an offence under Section 55 of the Act. Disclosure can be made but only where the officer disclosing is satisfied that it is necessary for the prevention and detection of crime, or apprehension or prosecution of offenders. Disclosure of personal data must be made where any statutory power or court order requires disclosure.
- **Fine or Imprisonment** – Interception of communications without consent is a criminal offence punishable by fine or up to two years in prison.
- **Censure** – the Office of Surveillance Commissioners conduct regular audits on how local authorities implement RIPA. If it is found that a local authority is not implementing RIPA properly, then this could result in censure.

Oversight by Members

- Elected Members shall have oversight of the Authority’s policy and shall review that policy annually.
- Elected Members shall receive a report on the use of RIPA regulated activity by officers of the Authority every three months.
- The report to members shall be presented to the Elected Members by the SRO. The report must not contain any information that identifies specific persons or operations.
- Alongside this report, the SRO will report details of ‘Non-RIPA’ surveillance in precisely the same fashion
- Elected Members may not interfere in individual authorisations. Their function is to, with reference to the reports; satisfy themselves that the Authority’s policy is robust and that it is being followed by all officers involved in this area. Although it is elected members who are accountable to the public for council actions, it is essential that there should be no possibility of political interference in law enforcement operations.

Concluding Remarks

Where there is an interference with the right to respect for private life and family guaranteed under Article 8 of the European Convention on Human Rights, and where there is no other source of lawful authority for the interference, or if it is held not to be necessary or proportionate to the circumstances, the consequences of not obtaining or following the correct authorisation procedure may be that the action (and the evidence obtained), is held to be inadmissible by the Courts pursuant to Section 6 of the Human Rights Act 1998.

Obtaining an authorisation under RIPA and following this document will ensure, therefore, that the action is carried out in accordance with the law and subject to stringent safeguards against abuse of anyone's human rights.

Authorised Officers should be suitably competent and must exercise their minds every time they are asked to sign the request. They must never sign or rubber stamp Form(s) without thinking about their personal and the City Council's responsibilities.

Any boxes not needed on the Form(s) must be clearly marked as being 'NOT APPLICABLE', 'N/A' or a line put through the same. Great care must also be taken to ensure accurate information is used and is inserted in the correct boxes. Reasons for any refusal of an application must also be kept on the form and the form retained for future audits.

For further advice and assistance on RIPA, please contact the Trading Standards Manager.

Directed Surveillance/CHIS Forms can be obtained from the Home Office website or from NAFN in relation to Access to Communications Data or via the Wave



Appendix 1

List of Authorised Officers

Post	Name
Chief Executive (Interim)	Catherine Vaughan
Trading Standards Manager	Jo Player
Head of Revenues and Benefits	Graham Bourne
Head of City Infrastructure	Gillian Marston
Lead Commissioner Families in Multiple Deprivation	James Dougan
Head of Adult Assessment	Brian Doughty
Head of Audit and Business Risk	Ian Withers

Designated Person for Approving a Notice in Respect of Access to Communications Data

Trading Standards Manager Jo Player

Single Point of Contact for Accessing Communications Data

National Anti Fraud Network NAFN

Gatekeepers

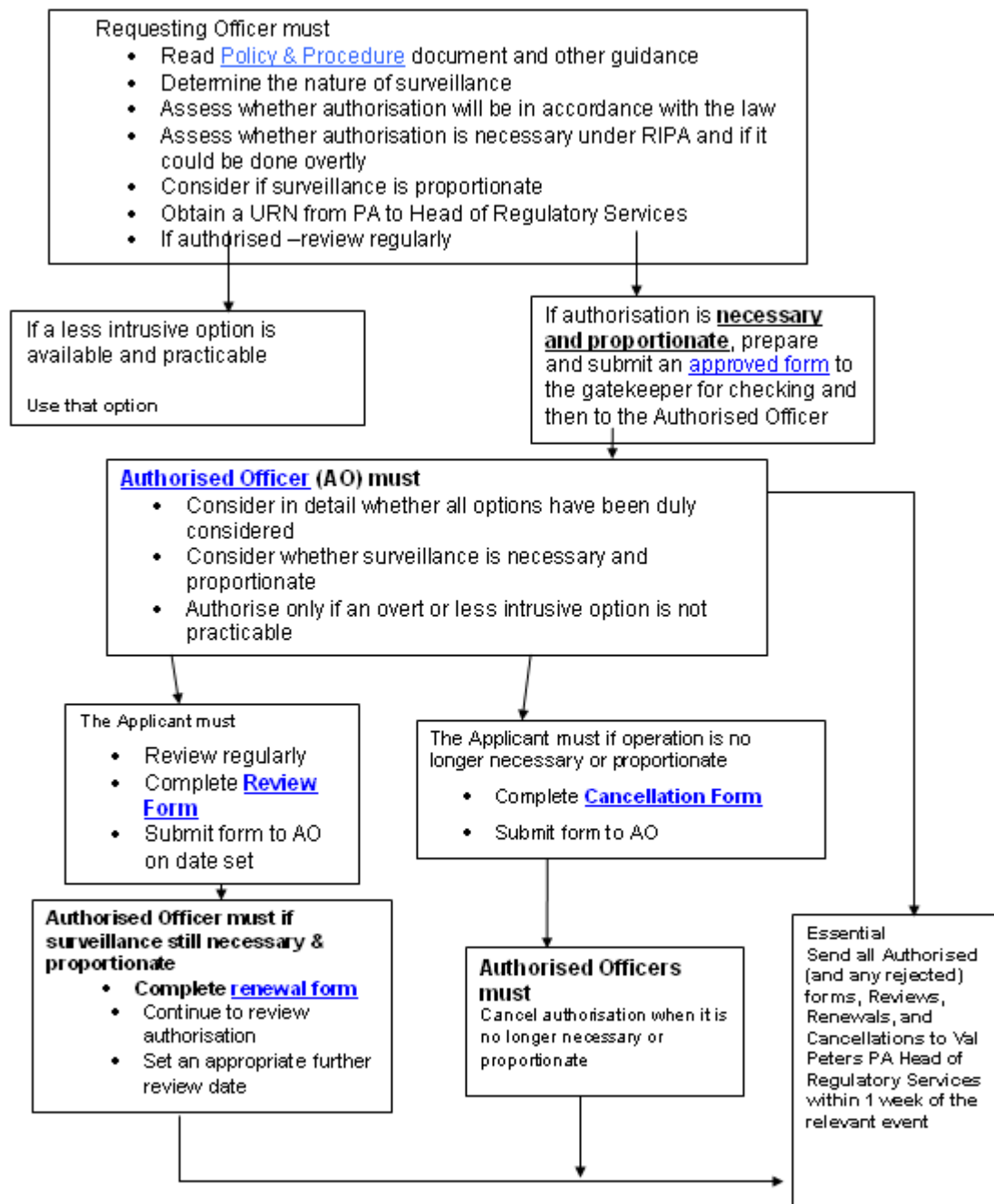
Trading Standards Manager Jo Player

Principal Trading Standards Officer John Peerless

Please contact Val Peters for a URN

Appendix 2

Authorising Directed Surveillance Process



Appendix 3

RIPA Forms, Codes of Practice and Advice

The policy requires you to use the most up-to-date versions of forms and codes of practice. Rather than reproduce forms and codes of practice that are subject to change, we have provided links to the currently approved versions. You should access the document you require by following the relevant link.

- The most up-to-date RIPA forms must always be used. These are available from the Home Office website and may be found by following this link :

<http://www.homeoffice.gov.uk/counter-terrorism/regulation-investigatory-powers/ripa-forms/>

- The full text of the Codes of Practice are available here :

<http://www.homeoffice.gov.uk/counter-terrorism/regulation-investigatory-powers/ripa-codes-of-practice/>

- The Act is available here:

<http://www.legislation.gov.uk/ukpga/2000/23/contents>

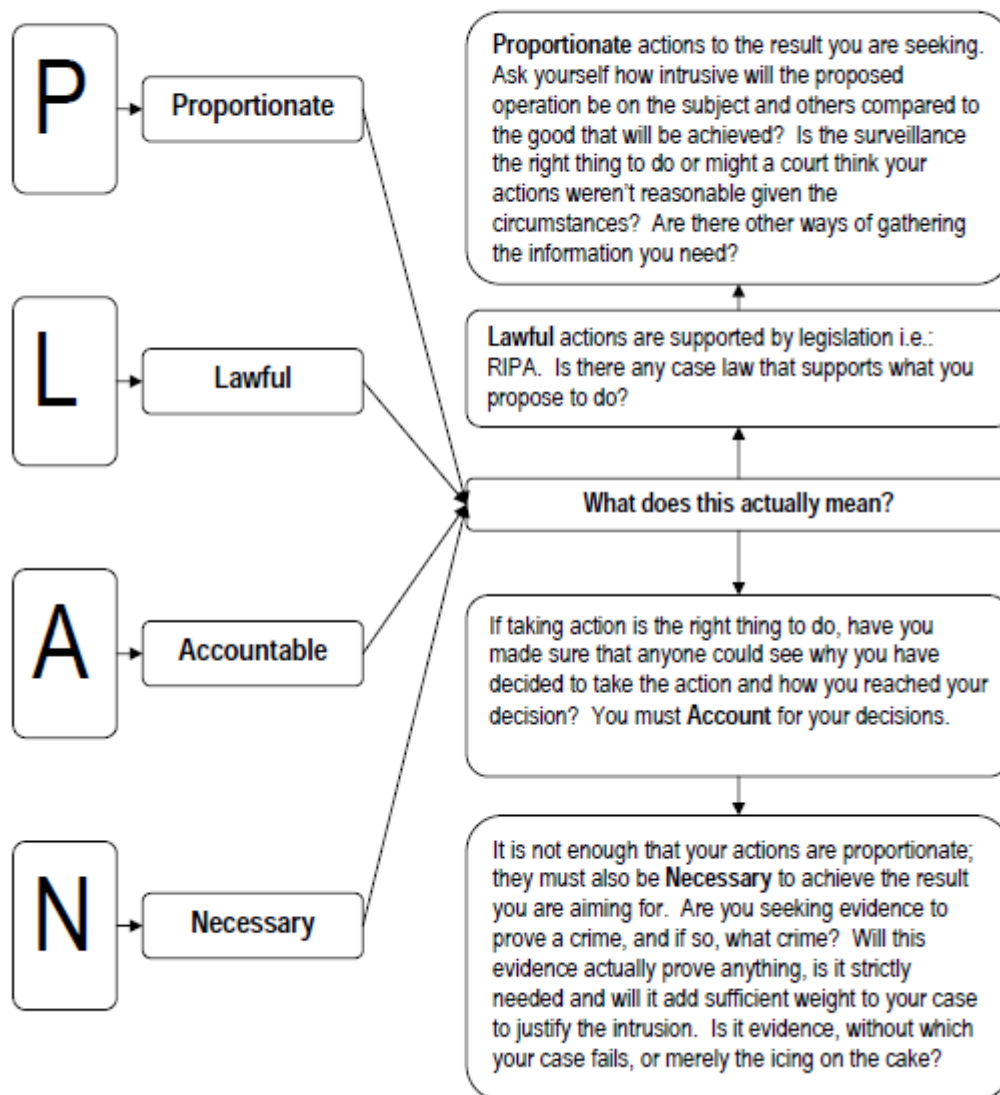
- The Office of Surveillance Commissioners website has some useful information and advice and is available here :

<http://surveillancecommissioners.independent.gov.uk/>

Appendix 4

APPENDIX FOUR

Notes for Guidance for Authorisation – Directed Surveillance



Authorised Officer's Statement

12. Authorising Officer's Statement. [Spell out the "5 Ws" – Who; What; Where; When; Why and the following box.]

I hereby authorise directed surveillance defined as follows: [Why is the surveillance necessary directed against, Where and When will it take place, What surveillance activity/equipment is achieved?]

You must start by fully explaining what operation you are authorising. State why the surveillance is necessary to the case, what will be achieved, how it will be carried out, how many people used, what equipment / vehicles / technology you authorise the use of and where the operation will happen.

Make sure it is clear exactly what it is that you are authorising.

13. Explain why you believe the directed surveillance is necessary. [Code paragraph 2.4]

Explain why you believe the directed surveillance to be proportionate to what is sought to be achieved by carrying it out. [Code paragraph 2.5]

Now you must explain your decision. Simply stating that you "agree with the officer who applied for the reasons they gave" is not acceptable. You must give, in your own words, a detailed account of how you came to decide that the operation was necessary and proportionate. Make sure that you review the guidance in section seven and show how the evidence is necessary to the offence, and how the offence is one that it is necessary to investigate. Now ensure that you demonstrate how the officer has shown the need to obtain the evidence to be proportionate, when balanced against the person's expectation of privacy, the privacy of innocent third parties and the seriousness of the offence.

If you have completed a surveillance authorisation worksheet, go back over this as you should have already stated your reasons there.

You must explain why you feel it is in the public interest to carry out the action; is it serious, prevalent in the area, an abuse of position, premeditated? Why do you think that the investigation will be prejudiced without surveillance? Are you certain there is no other obvious and less intrusive way of obtaining the information? Does it need to be done? Record everything in this section.

This section must stand on its own, if you are called to court to justify your authorisation.

Authorised Officer's Statement

14. (Confidential Information Authorisation.) Supply detail demonstrating compliance with 3.1 to 3.12		This section is to be completed only by the Senior Authorised Officer if confidential information might be obtained. They should explain why they felt it to be appropriate for the surveillance to be carried out. To comply with the codes, show how further measures, such as more regular reviews and stricter limitations, have been put in place due to the particularly sensitive nature of the operation.
<p>This should be no more than four weeks from the date of authorisation. If you wish to restrict the length of time an officer may carry out surveillance for, you can use this box to set an early review date.</p>		
Date of first review	Programme for subsequent reviews of this authorisation: [Code paragraph 4.22]. Only complete dates after first review are known. If not or inappropriate to set additional review dates then leave	
<p>Use this box to record dates for review. The normal review period is no longer than every four weeks. It doesn't have to be completed but is useful to do so, especially when a shorter review period is appropriate.</p>		<p>Finally, write your name, sign the form giving the date and time. You must also record the expiry date. This is always three months, to the minute, from the date that the authorisation was given, no longer, or shorter. The operation can be cancelled before this date if appropriate. (See 7.14 (above) for guidance.)</p>
Name (Print)	Grade / Rank	
Signature	Date and time	
<p>Expiry date and time (e.g.: authorised on 30 June 2005, 23.59)</p>		

Sections 15 and 16:

These sections relate to oral authorisations that may be granted or renewed only in urgent cases. In the case that an oral authorisation is granted, the AO should record the reasons why they considered the case urgent and why they believed it was not practicable to delay in order for the investigator to complete an application. Urgent oral authorisations last for seventy-two hours from the time of the authorisation. The officer carrying out the surveillance must complete a written application at the earliest opportunity, not necessarily at the end of the seventy-two hours.

Appendix 5

The RIPA 1 Form – Guidance Notes on Completion

The diagram illustrates the RIPA 1 Form, titled "PART II OF THE REGULATION OF INVESTIGATORY POWERS ACT (RIPA) 2000" and "APPLICATION FOR AUTHORISATION TO CARRY OUT DIRECTED SURVEILLANCE". The form is divided into several sections, each with a corresponding guidance note:

- Directed Surveillance Unique Reference Number (URN)** (to be supplied by the central monitoring officer).
Guidance: Unique reference number. This must be provided by the Authorising Officer.
- Public Authority** (providing full address).
Guidance: Record your name. Not the name of the officers carrying out the surveillance (unless that is you).
- Unit/Branch /Division**.
Guidance: What public body do you work for? Record it here.
- Full address**.
Guidance: What dept / unit do you work in? Record it here.
- Contact details**.
Guidance: Full address of your dept / office / building.
- Investigation/Operation Name (if applicable)**.
Guidance: You can give the operation a name if you wish.
- Investigating Officer (if a person other than the applicant)**.
Guidance: If the person who is the investigator in the case is someone other than you, record their name here.
- Details of application:**
 - Give rank or position of authorising officer in accordance with the Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2003; No. 3171. For local authorities, exact position of the authorising officer should be given. For example, Head of Trading Standards.
- Authorised Officer** (position).
Guidance: You must give the position of the Authorised Officer who will be reviewing the application. You do not need to give their name. This should be their full job title, rank or position.

Page Two

<p>What methods will you use for the surveillance? What are the technical aspects? Who, what, when, where, how long, how many, equipment etc. Mention everything. You will not be authorised to do things you don't mention here.</p>	<p>2. Describe the purpose of the specific operation or investigation.</p>	<p>Enter a summary of the reason for the operation and what you are planning to do. Be brief: what will you do, why are you doing it and what will you get out of it?</p>
	<p>3. Describe in detail the surveillance operation to be authorised and expected duration, including any premises, vehicles or equipment (e.g. camera, binoculars, recorder) that may be used.</p>	
	<p>4. The identities, where known, of those to be subject of the directed surveillance.</p> <p>Name:</p> <ul style="list-style-type: none"> • Address: • DOB: • Other information as appropriate: 	<p>Who are you intending to gather evidence on? If you do not know the identity of all parties you must describe them as best as you are able.</p>
	<p>5. Explain the information that it is desired to obtain as a result of the directed surveillance.</p>	
	<p>What evidence do you intend to obtain from the surveillance? Specify exactly what you intend to get, how much and what types. This is so a judgement can be made on the weight of the evidence that you will get. Be careful what you write here: when you have achieved these aims the surveillance must stop immediately.</p>	

Page Three

<p>Specify the offences that you are investigating or preventing. State why the information has to be obtained by surveillance, why do you need it for the reason you specified? How is it essential to the case?</p>	<p>6. Identify on which grounds the directed surveillance is necessary under Section 28(3) of RIPA. Delete that are inapplicable. Ensure that you know which of these grounds you are entitled to rely on. (SI 2003 No 2171)</p>	<p>Cross out the conditions that do not apply to you. In the case of a local authority, the only one that <i>does</i> is prevention or detecting crime or disorder.</p>
	<ul style="list-style-type: none"> • In the interests of national security; • For the purpose of preventing or detecting crime or of preventing disorder; • In the interests of the economic well-being of the United Kingdom; • In the interests of public safety; • for the purpose of protecting public health; • for the purpose of assessing or collecting any tax, duty, levy or other imposition, contribution or charge payable to a government department; 	
	<p>7. Explain why this directed surveillance is necessary on the grounds you have identified [Code paragraph 2.4]</p>	
	<p>8. Supply details of any potential collateral intrusion and why the intrusion is unavoidable. [Bear in mind Code paragraphs 2.6 to 2.10.]</p> <p>Describe precautions you will take to minimise collateral intrusion</p>	
	<p>Collateral intrusion is where the operation interferes with the private lives of those not intended to be subject to the surveillance. This could be members of the suspect's family, their partners, colleagues or members of the public. You must identify where there is a risk that you will gather this sort of information. You must take steps to minimise this risk and show that the risk left is unavoidable: what times are you conducting surveillance? Can you avoid catching others on camera? Do you have facilities to remove identifying features? The AO must be satisfied that the need to carry out the operation outweighs this risk.</p>	

Page Four

This is where you must justify your actions as proportionate. You should have completed a planner and decided that surveillance is necessary and the last resort. Record here what you have done already and what you cannot do as it'll prejudice the investigation. Tell the AO why the need to carry out the action outweighs the suspect's right to privacy. How serious is the matter? How intrusive will the operation be on the suspect and on others? What might happen if you don't carry out surveillance? Why can't you get the information in other ways? What will be achieved by gathering the evidence?

9. Explain why this directed surveillance is proportionate to what it is to be on the subject of surveillance or on others? And why is this surveillance in operational terms or can the evidence be obtained otherwise? (Code paragraph 2.5)

...ive might it
...by the need for
...? (Code paragraph

10. Confidential information (Code paragraphs 3.1 to 3.12):

INDICATE THE LIKELIHOOD OF ACQUIRING ANY CONFIDENTIAL INFORMATION:

11. Applicant's details

Name (print)		Tel No:	
Grade/Rank		Date	
Signature			

Confidential information is *special knowledge* of a person's religious, political or medical life or information of a confidential journalistic nature (journalistic sources). Communications subject to legal privilege are also confidential. If there is a chance that you might gather this sort of information, indicate the risk here. The authorisation can then only be given by the person within your public body designated by the RIPA code of practice for this purpose.

Finish by giving your name, telephone number, job title or rank. Date the form and sign it.

**QUARTERLY REPORT TO MEMBERS ON USE OF SURVEILLANCE
ACTIVITY IN ACCORDANCE WITH THE REGULATION OF
INVESTIGATORY POWERS ACT 2000**

Year: 2012-13

Quarter 2(Jun- August)

	No in Quarter 2	No in Year to Date 2012(Cumulative)*	No in Quarter 2 2011	No in Year to Date 2011 (Cumulative)**
Number of Directed Surveillance Authorisations Granted	3	4	4	8
Number of Directed Surveillance Authorisations Rejected	1	1	1	1
Number of Directed Surveillance Authorisations Cancelled	3	4	7	8
Number of Covert Human Intelligence Sources Authorised	0	0	0	0
Number of Juveniles or Vulnerable Persons authorised as Covert Human Intelligence Sources	0	0	0	0
Number of Applications for Covert Human Intelligence Sources Rejected	0	0	0	0
Number of Covert Human Intelligence Source authorisations Cancelled	0	0	0	0

Appendix 1

Number of Applications for Acquisition of Communications Data Approved	0	0	0	1
Number of Applications for Acquisition of Communications Data Rejected	0	0	0	2
Number of errors with regards to communications data (as defined in Statutory Code of Practice) recorded	0	0	0	1
Number of errors with regards to communications data (as defined in Statutory Code of Practice) reported to the Interception of Communications Commissioner	0	0	0	0

Have all authorisations been granted by officer of level prescribed by law?

Yes

Comments on Quarterly Activity: (to include any recommended changes to policy, and, explanations for any activity outside scope of policy).

- * Period Quarter 1 and Quarter 2 (March – end August)
- ** Period Quarter 1 and Quarter 2 (March – end August)

Monitoring Officer Signature

Senior Responsible Officer Signature:

Date:

POLICY & RESOURCES COMMITTEE

11 October 2012

Agenda Item 56

Brighton & Hove City Council

Subject:	A Tenant Scrutiny Panel for Brighton & Hove		
Date of Meeting:	11 October 2012 Housing Committee 26 September 2012 Housing Management Consultative Sub-Committee 04 September 2012		
Report of:	Strategic Director, Place		
Contact Officer:	Name:	Karen Amsden	Tel: 29-1084
	Email:	Karen.amsden@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 On 30th April 2012 Housing Management Consultative Committee (HMCC) noted the draft report from the Tenant Innovation Group which had been established to examine resident involvement in the city. This report included details on the creation of a Tenant Scrutiny Panel (TSP), information which was then presented to City Assembly on 19th May 2012.
- 1.2 Members of HMCC requested that a further report on resident involvement would be presented to Housing Management Consultative Sub-Committee (HMCSC). As a result, this report on Tenant Scrutiny has been presented to HMCSC on 4th September 2012 and then came to Housing Committee on 26th September 2012.
- 1.3 This report describes in greater detail the proposed model for the introduction of a TSP in Brighton & Hove, which forms part of the resident involvement framework in the city outlined above.
- 1.4 The report outlines how this Panel will work to meet the council's regulatory responsibilities as a social landlord and describes how the introduction of Tenant Scrutiny has been consulted upon.

2. RECOMMENDATION:

- 2.1 That Policy & Resources Committee agrees to the establishment of a Tenant Scrutiny Panel in Brighton & Hove, with the terms of reference set out in Appendix A to this report with effect from December 2012.
- 2.2 That the Head of Housing be granted delegated powers to:
 - (i) after consultation with the Chair of the Housing Committee and tenant representatives as he/she considers appropriate, appoint the selection panel for the appointment of Members of the Tenant Scrutiny Panel;

- (ii) after consultation with the Monitoring Officer, the Chair of Housing Committee and relevant tenant representatives, agree the code of conduct that would apply to Members of the Tenant Scrutiny Panel;
 - (iii) take any steps necessary or incidental to the establishment and continued operation of the Tenant Scrutiny Panel, including the power to make transitional arrangements as he/she thinks fit.
- 2.3 That Policy & Resources Committee note that the role of the Overview & Scrutiny Committee, including the powers regarding scrutiny and call-in are not affected by these proposals although the existence of the Panel and its work will be a factor taken into account in deciding what issues the committee reviews.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 Full Council agreed the council's corporate plan priorities in July of this year. Priority 3 of the plan relates to engaging people who live and work in the city. The third commitment within the priority is to,

'Establish the new council housing tenant scrutiny panel giving tenants a stronger voice in the management of council housing'

This report sets out a number of the policy drivers behind this commitment as well as the development work and consultation undertaken to date.

National guidance on co-regulation

- 3.2 A new regulatory framework for social housing came into effect from 1 April 2012. From that date the regulation of social housing passed to the Homes and Communities Agency (HCA) Regulation Committee. The new regulations require all registered social housing providers to meet relevant standards. Brighton & Hove City Council, like other local authority landlords, will need to meet the consumer standards which have been set in the following areas:
- Tenant involvement and empowerment
 - Home
 - Tenancy
 - Neighbourhood and community
- 3.3 The new approach to regulation is built around 'co-regulation'. For local authorities this means robust self-regulation by councillors, whilst enabling tenants to assess the performance of their housing provider.¹
- 3.4 The regulator, HCA, may then intervene in cases where a breach, or potential breach, of a consumer standard poses a risk of 'serious detriment' to tenants.²

¹ TSA website

² ibid

3.5 A cornerstone of co-regulation is that:

*'Tenants should have the ability to scrutinise their provider's performance, identify areas for improvement and influence future delivery. Providers will also need to continue to support tenants in developing their skills and capacity so that engagement and scrutiny are effective.'*³

3.6 In order to meet the standard for involvement and empowerment, providers are expected to support:

*'...the formation and activities of tenant panels or equivalent groups and respond in a constructive and timely manner to them.'*⁴

What is a Tenant Scrutiny Panel?

3.7 According to the Chartered Institute of Housing, this is:

*'...a group of tenants with the power to review information about their landlord's performance and make recommendations for improvement.'*⁵

3.8 Tenant scrutiny forms part of the council's corporate objectives. To achieve Priority 3 (Engaging people who live and work in the city) of the council's Corporate Plan, there is a commitment (for 2011/12) to:

*'Explore how, through Scrutiny, we can improve the council's engagement with council housing tenants'*⁶

3.9 Another outcome being sought is 'A more open and transparent council'. To achieve this, the organisation has stated that it will:

*'...promote the role of scrutiny and encourage people to participate in scrutiny reviews.'*⁷

Innovation Group

3.10 Looking at the creation of a TSP in Brighton & Hove was a key component of the remit of the Innovation Group. This group was made up of longstanding involved residents, Cllr Wakefield (now the Chair of the Housing Committee), residents who were not currently involved and officers. The group had met since November 2011 to look at:

'... ways that resident involvement could be widened to include as many residents who wished to contribute to their housing management service in ways

³ ibid

⁴ ibid

⁵ Housing Practice, CIH Briefing 19

⁶ BHCC Corporate Plan http://corporateplan.brighton-hove.gov.uk/sites/default/files/BHCC_Corporate_Plan_2011-2015.pdf

⁷ Ibid

that they preferred and to modernise the Council's approaches while strengthening support for tenant and resident associations (TRAs).⁸

- 3.11 Housing Management Consultative Committee received a report on 30.04.12, from the Innovation Group. Their report contained a section on its recommendations for establishing Tenant Scrutiny in Brighton & Hove. It was noted at this meeting that the proposals of the Group would be presented to City Assembly on 19.05.12, with further discussion at Area Panels during August 2012. This final report on the issue will be presented to Housing Management Consultative Sub-Committee on 04 September 2012.

4. Proposed model for tenant scrutiny in Brighton & Hove

- 4.1 The Innovation Group proposed the following set of principles for the establishment of the Panel:
1. A panel of twelve people
 2. Need different skills and experiences to sit on the panel
 3. Mix of one third existing elected tenant representatives and two thirds tenants who are not elected tenant representatives
 4. Representative of all tenants – e.g. mix of ages, ethnicities, etc
 5. An open day for people interested in being involved to come along and find out more about tenant scrutiny
 6. Informal recruitment process to the panel that is non intimidating, with selection taking place against some criteria
 7. Training and learning opportunities to be offered to all panel members - e.g. in research, working as a group, performance issues, gathering information and evidence
 8. The panel should move beyond consultation and engagement. It needs to exercise real power and drill down on issues to get a detailed picture, before making evidence-based recommendations
 9. Recommendations will be made to the Housing Committee, which will remain the ultimate decision maker
 10. The panel should be supported by the council's Scrutiny Team (independent, experienced and non-political), possibly with independent mentor for the first year or so.
 11. Membership of the panel should be time-limited, with positions for 2 years, but 3 years for the first group
 12. Members of the panel should be replenished annually one third at a time following the initial tenure of approximately three years - or as required **(please note that following consultation principles 11 & 12 have been amended to work in practice as outlined in footnote below and in Section 5.2 of Appendix 1)⁹**

⁸Report to HMCC on the Innovation Group 30.04.12 [http://present.brighton-hove.gov.uk/Published/C00000163/M00003304/AI00027376/\\$20120420103404_002097_0007139_HMC_CReportofInnovationGroupFINAL2.doc.pdf](http://present.brighton-hove.gov.uk/Published/C00000163/M00003304/AI00027376/$20120420103404_002097_0007139_HMC_CReportofInnovationGroupFINAL2.doc.pdf)

⁹ Succession arrangements for the panel will be as follows: **'Membership of the panel should be time-limited, with the panel members being appointed initially for 3 years. Members of the panel will be**

13. The possibility of working collaboratively with other local housing providers to share learning and skills should be explored once the panel has been up and running for a while.¹⁰
- 4.2 These principles were included in the report of the Innovation Group which went to HMCC on 30th April 2012, which also contained the following information prepared by the council's Scrutiny Team:
- A short briefing on how Tenant Scrutiny could operate in Brighton & Hove
 - Draft Terms of Reference for the Tenant Scrutiny Panel (TSP)
 - Draft TSP Member Role Description
 - Draft TSP Application Form
- 4.3 The formation of the TSP will be developed in line with the principles developed by the Innovation Group. These findings of the Innovation Group have been presented to:
- Housing Management Consultative Committee on April 30th 2012
 - City Assembly on 19th May 2012
 - Housing Management Consultative Sub-Committee to be held on 4th September
- 4.4 Feedback on Tenant Scrutiny from the August round of Area Panels suggested a range of possibilities for publicising the recruitment to the TSP to all residents particularly those who might be harder to reach. Suggestions include the usual communication channels of Homing In and letters, as well as placing an article in the Friday Ad, in the Argus and in residents newsletters; a radio or television advert; bus or bus stop advertising; door-knocking; publicity to local community groups; and all staff communications to residents they come into contact with. Ideas for where an awareness raising open day event should be held were Jubilee Library, Brighton Town Hall or the Brighton Centre. There could also be a stand at the next City Assembly depending on the dates. On the matter of whether the TSP would need an independent mentor, the feedback from Area Panels is that this is something that the panel can probably best decide for itself once it is set up.

5. Operation of the Panel

- 5.1 The development of Tenant Scrutiny by social landlords across the country is at a relatively early stage, with organisations learning from the experience of the nationally known co-regulation champions. Therefore the intention is not to be overly prescriptive about the workings of the Panel at this stage, especially prior to recruiting its members. However once the Panel has been established it will be expected to report annually to tenants and residents and agree an annual work plan.

then required to stand down, but can be re-appointed to the panel through the selection process. Members may not serve longer than six years.'

¹⁰ Report to HMCC on the Innovation Group 30.04.12 [http://present.brighton-hove.gov.uk/Published/C00000163/M00003304/AI00027376/\\$20120420103404_002097_0007139_HMCCReportofInnovationGroupFINAL2.doc.pdf](http://present.brighton-hove.gov.uk/Published/C00000163/M00003304/AI00027376/$20120420103404_002097_0007139_HMCCReportofInnovationGroupFINAL2.doc.pdf)

- 5.2 The Scrutiny Team has produced an information pack for distribution to potential Panel Member recruits. It is contained in Appendix A of this report and provides further detail on the purpose and workings of the Panel.

Relationship between the Tenant Scrutiny Panel and the Housing Management Consultative Sub-Committee

- 5.3 The role and function of the HMCSC will not be affected by these proposals for the Tenant Scrutiny Panel. From time to time, the HMCSC may refer matters to the Panel for consideration.

Relationship between the Tenant Scrutiny Panel and the Overview & Scrutiny Committee

- 5.4 The work of the Tenant Scrutiny Panel will be a factor that the Overview & Scrutiny Committee takes into account when developing a work-programme. Beyond this however the powers of the Overview & Scrutiny Committee are not affected by these proposals.

Servicing the Tenant Scrutiny Panel

- 5.5 The TSP will be supported in its establishment and operation by the Council's Scrutiny Team. This arrangement will enable the panel to operate independently from the council's housing service. The panel will be able to benefit from the Scrutiny Team's experience in carrying out challenging and constructive reviews of pressing issues.

Reporting arrangements for the Panel

- 5.6 All recommendations of the TSP will be presented to the council's Housing Committee. This Committee will agree a response to the report and/or recommendations of the panel. The response of the Housing Committee, along with the original report of the TSP, will then be reported to Housing Management Consultative Sub-Committee.

How the Panel will differ from the HMCSC

- 5.7 The table below highlights some of the key differences between the proposed Panel and HMCSC:

Tenant Scrutiny Panel	HMCSC
Reviews past performance and policies	Consulted on upcoming policies
Carries out in-depth research	Contributes their experience
Made up of a representative group	Represents the views of tenants as tenant representatives
Looks into a specific aspect of the service in detail	Looks at the breadth of the housing service

6. COMMUNITY ENGAGEMENT AND CONSULTATION

- 6.1 Consultation on the proposed creation of a Tenant Scrutiny Panel has been carried out through the Innovation Group, at a special meeting of tenant association chairs and secretaries, at Area Panels and at the City Assembly.
- 6.2 The Scrutiny Team ran workshop on Tenant Scrutiny at the City Assembly on November 19th 2011 and then had an information stall at the City Assembly on 19th May 2012.
- 6.3 A community engagement and communication strategy is being developed for the establishment of the TSP. This has the following aims to:
- Use the profile of our residents and tenants to ensure that the panel is made up of a representative mix of residents
 - Use community engagement to communicate with hard to reach groups and encourage not currently involved residents to take part
 - Link the work of the TSP to the wider resident involvement framework for council housing, and other community engagement mechanisms such as Neighbourhood Councils
 - Consider how Social Media can be used to engage currently not involved tenants

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The costs of establishing and supporting the Tenant Scrutiny Panel will be approximately £17,000 per annum. These costs can be met from the HRA Resident Involvement budget, which had an increase in budget allocation for Tenant Scrutiny as part of the 2012/13 Housing Revenue Account (HRA) Budget setting process.

Finance Officer Consulted: Susie Allen

Date: 12.09.2012

Legal Implications:

- 7.2 Under the Council's constitution, the power to establish standing working groups or consultative bodies is reserved to the Policy & Resources Committee.
- 7.3 The proposals in this report will assist the Council in complying with its duties under the new framework for social housing.

Lawyer Consulted: Abraham Ghebre-Ghiorgis

Date: 08.08.2012

Equalities Implications:

- 7.4 An Equality Impact Assessment is being carried out as part of the development of this project.

Sustainability Implications:

- 7.5 There are no sustainability implications arising from the report.

Crime & Disorder Implications:

- 7.6 There are no crime & disorder implications arising from the report.

Risk and Opportunity Management Implications:

- 7.7 The introduction of Tenant Scrutiny in Brighton & Hove will enable the authority to meet the co-regulation standards as set out in regulatory framework for social landlords introduced in April 2012.

Public Health Implications:

- 7.8 There are no public health implications arising from this report.

Corporate / Citywide Implications:

- 7.9 The successful introduction of tenant scrutiny, as a means of improving the council's engagement with council housing tenants, is one of the commitments outlined in the council's Corporate Plan.

8. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 8.1 The Tenant Innovation Group considered a number of issues and alternatives in making its recommendations as to the model it would like to see progressed. Proposals have been further developed after research into good practice at a national level.

9. REASONS FOR REPORT RECOMMENDATIONS

- 9.1 Registered social housing providers are now expected to support tenants to develop and implement opportunities for their involvement and empowerment. A key component of this is to support the formation and activities of Tenant Scrutiny Panels.
- 9.2 Establishing a TSP is also a priority within the council's corporate plan.

SUPPORTING DOCUMENTATION

Appendices:

- A. Draft Guide to Tenant Scrutiny in Brighton & Hove
- B. Extract from the draft minutes of the Housing Management Consultative Sub-Committee meeting on 4th September 2012
- C. Extract from the draft minutes of the Housing Committee meeting held on the 26th September 2012.

Appendix A

DRAFT Guide to Tenant Scrutiny in Brighton & Hove

Contents

1. Welcome
2. What is Tenant Scrutiny
3. How will Tenant Scrutiny work in Brighton & Hove
4. Draft Terms of Reference
5. Draft application form
6. Draft induction and training programme
7. Draft role description

1. Welcome

Thank you very much for showing an interest in becoming a member of the Tenant Scrutiny Panel (TSP) in Brighton & Hove.

We have put together this information pack to explain why Brighton & Hove City Council (BHCC) is introducing tenant scrutiny and how you could play an essential role in improving housing services for BHCC tenants and leaseholders (residents).

We hope that this pack will answer any questions you have, but if not please contact Karen Amsden on 01273 291084 or email scrutiny@brighton-hove.gov.uk with any queries.

2. What is Tenant Scrutiny?

Why are we introducing tenant scrutiny in Brighton & Hove?

The Government is currently making big changes to how social landlords are regulated. As part of this, your council will be expected from April 2012 to involve tenants and leaseholders in scrutinising their housing service. Areas of the service that the Panel could check include:

- Repairs
- Allocations
- Rent levels
- Service charges
- Anti-social behaviour
- Community development

Working together

The aim is to give you a greater say in important issues that affect your home and hold BHCC to account if you do not feel they are delivering a sufficiently good service. Rather than the council being inspected to check how well it delivers its services, tenants and leaseholders will lead the way and will be expected to identify their issues of concern.

A tenant scrutiny panel

Setting up a scrutiny panel of tenants and leaseholders is often seen as the main way of achieving tenant scrutiny and consists of:

‘...a group of tenants [and leaseholders] with the power to review information about their landlord’s performance and make recommendations for improvement.’¹

¹ Housing Practice, CIH Briefing 19

What can tenant scrutiny do for you?

The key areas which tenant scrutiny will be encouraged to look at will be:

- How well the Housing Service is performing
- Whether services are meeting tenants and leaseholders' needs
- Complaints

Tenant scrutiny will give you a formal way of:

- Identifying areas of concern
- Finding evidence. This could be anything from customer satisfaction surveys, complaints information or information on how well different services are performing
- Asking questions
- Making recommendations on how to improve services
- Helping the council to make the best use of the money it receives from you

As a result you will have the chance to influence and be involved in:

- Recommending housing policies and setting service standards
- Recommending priorities for the service
- Recommending how services are delivered
- Reviewing the council's performance
- Managing the repair and maintenance services

What can be achieved by tenant scrutiny?

Some housing organisations have already introduced tenant scrutiny and the benefits to tenants and leaseholders have included:

- Improved services
- Reduced service costs
- Higher levels of tenant satisfaction

The panel will be supported by the council's Scrutiny team and will have real power to influence the quality of the service that residents' receive.

4. How will tenant scrutiny work in Brighton and Hove?

In 2011 a group was set up to look at widening resident involvement in the city. Known as the Innovation Group, they were made up of long standing involved residents, Cllr Wakefield (Chair of the Housing Committee), residents who were not currently involved and council officers.

This Group developed the following set of principles for the establishment of the Panel:

1. A panel of twelve people
2. Need different skills and experiences to sit on the panel
3. Mix of one third existing elected tenant representatives and two thirds tenants who are not elected tenant representatives
4. Representative of all tenants – e.g. mix of ages, ethnicities, etc
5. An open day for people interested in being involved to come along and find out more about tenant scrutiny
6. Informal recruitment process to the panel that is non intimidating, with selection taking place against some criteria
7. Training and learning opportunities to be offered to all panel members - e.g. in research, working as a group, performance issues, gathering information and evidence
8. The panel should move beyond consultation and engagement. It needs to exercise real power and drill down on issues to get a detailed picture, before making evidence-based recommendations
9. Recommendations will be made to the Housing Committee, which will remain the ultimate decision maker
10. The panel should be supported by the council's Scrutiny Team (independent, experienced and non-political), possibly with independent mentor for the first year or so.
11. Membership of the panel should be time-limited, with positions for 2 years, but 3 years for the first group
12. Members of the panel should be replenished annually one third at a time following the initial tenure of approximately three years - or as required **(following consultation principles 11 & 12 have been amended as outlined in Section 5.2 of this pack)**
13. The possibility of working collaboratively with other local housing providers to share learning and skills should be explored once the panel has been up and running for a while.

Members of the Innovation Group were also keen to see the panel invite an independent member or mentor to join them.

How will the Panel work?

Tenant Scrutiny is in the relatively early stages of being developed across the country. So much of the detail of how the Panel will work in practice will be decided once the Panel members have been recruited. However once the

Panel has been established it will be expected to report annually to tenants and leaseholders and agree an annual work plan.

Scrutiny reviews

Based on the evidence about the housing service, the Panel will decide to look in more detail at a number of specific areas of the service, where they feel there is the greatest need for improvement. These will be the scrutiny topics for the year.

How will the Panel look at these scrutiny topics?

Each topic will be looked at in detail by the Panel and members of the public will be invited to submit evidence to them. Other ways of gathering evidence could include:

- Shadowing staff or contractors
- Interviewing managers
- Talking to residents
- Looking at performance information
- Looking at complaints information
- Looking at policies and procedures
- Visiting other landlords to say how they do it

Who will support the Panel?

The Panel will be supported the council's Scrutiny Team which will help it to work independently to gather its evidence and look at topics. The panel will be able to benefit from the Scrutiny Team's experience in carrying out challenging and constructive reviews of pressing issues.

Where will the Panel report to?

Once the panel have produced a report on a topic, any recommendations they make will be presented to the council's Housing Committee. This Committee will agree a response to the report and/or recommendations of the panel. The response of the Housing Committee, along with the original report of the TSP, will then be reported to Housing Management Consultative Sub-Committee.

5. Brighton & Hove Tenant Scrutiny Panel (TSP) - Draft Terms of Reference

5.1 ROLE OF THE PANEL

The role of the panel will be to:

- Address tenants and leaseholders concerns about the housing service
- Recommend how to improve services
- Consider how well the council is planning future services

Aims and Objectives of the TSP

- To work on behalf of tenants and leaseholders, to ensure that the council provides housing services that meet their needs, and achieve the standards set out in the 2012 regulation framework for social housing.²
- To act as a driver for the continuous review and improvement of housing services.
- To provide an opportunity for tenants and leaseholders to examine the housing service's performance and procedures, as well as challenge and question staff who manage and deliver the service.
- Act as a 'critical friend' on behalf of tenants and leaseholders to senior staff and councillors in relation to improving housing services

5.2 MEMBERSHIP OF THE PANEL

The members of the Panel will be selected using the following principles:

- Tenants and leaseholders will be able to apply for to join the Tenant Scrutiny Panel (TSP). Up to 12 places will be available for panel membership. At the setting up of the panel, one of these places will be reserved for an independent expert or mentor.
- All Brighton & Hove Housing tenants and leaseholders will be eligible to apply.³
- The panel will benefit from a range of skills and experience and so will seek to attract a mixture of existing tenant representatives and uninvolved tenants and leaseholders (the aim would be to attract 1/3 of

² <http://www.tenantservicesauthority.org/upload/pdf/rf-main-full.pdf>

³ The selection panel may wish to consider whether tenants in formal dispute with the council would suffer an adverse impact on their ability to discharge their duties as a member of the panel.

the Panel from currently involved residents and 2/3 from residents who are not currently involved)

- Successful applicants will be selected from those considered to best meet the role profile following discussions with the selection panel
- The membership of the TSP will aim to broadly reflect the diversity of the resident population
- Panel members must sign the Code of Conduct and then uphold it at all times
- All panel members will be expected to attend an induction course and be available to undertake additional training throughout the year

An important part of setting up the Panel will be to attract tenants and leaseholders who are not currently involved, and those who come from harder to reach groups such as younger people and Black and Minority Ethnic (BME) groups.

Recruitment and succession

Panel members will be recruited using an advertisement to all tenants and leaseholders, as well as other promotional material. They will be asked to complete an application form. Panel members will then be selected by an interview panel. Both an induction, and training, programme will be provided. Panel members will be asked to sign a code of conduct.

Membership of the panel should be time-limited, with the panel members being appointed initially for 3 years. Members of the panel will be then required to stand down, but can be re-appointed to the panel through the selection process. Members may not serve longer than six years.

5.3 PANEL MEETINGS

Frequency of Meetings

The Panel will aim to have a minimum of four meetings per year. The TSP may establish scrutiny reviews to examine specific issues. In the event of a panel member failing to attend three consecutive TSP meetings without good reason, they will be deemed to have resigned, unless otherwise agreed by the panel. Their place will be filled via the recruitment process.

Quorum

A quorum will be if more than 50% of members (i.e. if membership is 12, a quorum will be 7). Any discussion at an inquorate meeting should be noted and considered at the next quorate meeting.

Meetings

In the interests of openness and transparency, meetings will generally be open to the public and representatives of the press, unless at a meeting

where a resolution to exclude the press and public is passed by those present.

5.4 SUPPORT AND RESOURCES FOR THE PANEL

Training and development

All new panel members will undertake an induction programme, and their training and capacity building requirements will also be assessed. The training programme for panel members will be developed, delivered and regularly reviewed to ensure that they are able to carry out their work plan.

Officer support

The TSP will be supported by the council's Scrutiny Team to take minutes, advise tenant representatives, co-ordinate meetings and support the drafting of reports and recommendations to the council.

Budget

The panel will have access to a limited annual budget to carry out the following:

- Seek independent advice and training
- Undertake visits
- Publicise their events
- Other necessary work of the panel

5.5 THE WORK OF THE SCRUTINY PANEL

Areas of Business

The remit of the TSP will be to consider all areas of the housing service performance. It will be able to request any relevant information, or the attendance of council officers, which is needed to undertake its duties.

The work of the TSP

The panel will ensure that services are effectively scrutinised and shaped by tenants by:

- Act independently to voice the concerns of Brighton & Hove CC tenants and leaseholders
- Examining and evaluating policies, strategies and procedures
- Monitoring performance, with the ability to dig down where there are questions about performance
- Challenging councillors and senior staff through agreed scrutiny reviews. This will include:

- Collecting evidence to enable housing services to be scrutinised
 - Examine the evidence, make recommendations for service improvements
 - Make recommendations to senior management or councillors
 - Monitor and review agreed action plans
 - Tell other tenants and leaseholders what the panel is doing and encourage them to get involved

Annual work programme

The TSP will agree an annual work plan at the beginning of each year. The priority areas for review will be decided using feedback from all available information, including:

- Performance reports
- Reports from area panels, mystery shoppers, City Assembly and other relevant sources
- Tenants and residents' associations
- Tenant surveys, complaints data and benchmarking

Reporting arrangements

All recommendations of the TSP will be presented to the council's Housing Committee within two months of a review's recommendations being agreed by the panel/or the next meeting of the Committee. The Housing Committee will agree a response to the report/recommendations of the TSP. The report of the panel and the response of the Housing Committee will then be presented to the Housing Management Consultative Sub-Committee.

A summary of the report, recommendations and any agreed actions will then be reported back to the TSP and published on the council's website.

Access to information

Brighton & Hove City Council, and its contractors where relevant, shall provide the TSP with information, advice and documents to enable it to carry out its scrutiny role (providing that it is appropriate to do so – taking into account commercial sensitivities and access to information and privacy laws).

5.6 IMPACT OF THE TSP

The accountability of the TSP to tenants and leaseholders

It is important for the panel to be accountable to BHCC residents by:

- Publishing its findings in an annual report which provides information about their findings and work in the previous year
- A dedicated tenant scrutiny page on the council website, which would include meeting dates, minutes of meetings and panel reports. This information would also be provided to any tenant or leaseholder on request
- Consulting with a wider group of tenants and leaseholders about what scrutiny reviews should be carried out
- Residents will be able to raise an issue directly with the panel and meetings of the panel will have time set aside to consider requests for scrutiny, letters and questions
- Using social media, such as Twitter and Facebook, to raise awareness of the work of the panel

Evaluation of activities of the TSP

A review of the effectiveness of the panel will be undertaken after the first 12 months of its operation.

The work of the panel will be subject to an annual impact assessment and its findings will be reported, this will make recommendations for improvements.

6. Tenant Scrutiny Panel Application Form

Completing the application form

If you need any help in completing this form, or require it in any other format or language, please contact Karen Amsden, Scrutiny Officer on 01273 291084 or email scrutiny@brighton-hove.gov.uk

Your details

Full Name	
Postal Address	
Postcode	
Telephone number	
Email address	

Please tick the boxes below to say in which areas you have knowledge and experience that you could bring to the Scrutiny Panel. We don't expect you to be answer 'yes' to everything. Induction and training will be provided and there will be support from the Scrutiny Team.

Your knowledge and experiences	Yes	No	Not sure or Some
Are you a Brighton & Hove City Council tenant or leaseholder living in a BHCC property?			
I want to act on behalf of tenants and leaseholders to improve services for everyone who lives in a BHCC property			
I have worked on a committee or a Board			
I have worked as a volunteer			
I have worked in the community			
I want to work as part of a team and contribute to group discussions			
I am able to understand documents and give my view on them to a group of people			
I have good listening skills and am prepared to listen to other points of view			

Ability to commit to the work of the panel

Commitments needed	Yes	No	Not sure or Some
I can commit the time needed to make the scrutiny panel a success (at least 5 hours per month)			
I am willing to participate in the training sessions			
Available to attend tenant scrutiny panel meetings			

Details of employment and voluntary work

Please give us brief details of your current and past employment, or any other experience(s) which you could bring to the Panel.

Please explain why you want to join the scrutiny panel and why you would be a good scrutiniser.

Do you have any other skills and experience that you would like to tell us about, including any qualification or training?

Declaration

Please read the following statements carefully and sign and date this application form:

- I am not employed by Brighton & Hove City Council (BHCC), or business partner, or potential business partner of BHCC
- I have read and understood the details included within this application form
- If appointed, I am prepared to comply with the Scrutiny Panel Code of Conduct and to act in good faith and in the interests of the Panel
- I understand that if one of the members of the Scrutiny Panel's behaviour brings the Panel into disrepute, action may be taken to remove or exclude that person from the Panel
- I know that Panel members are volunteers and are not entitled to receive payment (other than properly incurred expenses)
- I declare that all the information provided on this application form is correct and that if appointed I will be liable to action which could include my removal from the Scrutiny Panel should I knowingly give false information.
- I acknowledge that Brighton & Hove City Council will conduct any necessary checks to verify this information. I understand that if I don't want these checks to go ahead my application will not be progressed.
- I am able to commit to attending Scrutiny Panel meetings and take part in any necessary training

Signature

Date.....

Please return this completed application to:

Karen Amsden, Scrutiny Officer, Room 128, King's House, Grand Avenue
Brighton & Hove, BN3 2LS

Or email scrutiny@brighton-hove.gov.uk

7. Induction and training programme

7.1 Why do I need an induction before I become a panel member?

The aim of the induction programme is to:

- Explain the aims and priorities of the housing service and the role of the TSP
- Make sure panel members know what is expected of them
- Enable the panel to become effective as quickly as possible

7.2 What would I gain from the induction?

- Understanding what is scrutiny
- Understanding what your role would be on the scrutiny panel
- Knowing your other TSP members
- Identifying your training and support needs and agreeing a training plan
- Understanding your housing service and the main issues facing social housing
- Meeting the key people you will need to work with in BHCC Housing Service

7.3 What kind skills training might be provided?

The induction programme will give you a chance to agree a training plan to develop the skills and knowledge you need. This could include:

Skills training

- Communication skills
- Evaluation
- Team working
- Confidence building
- Understanding the organisation
- Understanding performance information
- Negotiation skills
- Report writing
- Presentation skills

Knowledge

- Relevant policies and procedures
- Using ICT and social media
- Key issues facing social housing
- What excellence looks like - e.g. Benchmarking reports, Audit Commission reports

7.4 Your induction pack

Before you join the TSP you will be given an induction pack which will include the following information:

- The Terms of Reference (TOR)
- Role description
- Code of conduct
- Relevant policies and procedures
- Contact information for key members of staff
- List of ways (e.g. websites) to gain information for carrying out scrutiny reviews

7.5 Ongoing training

As part of the annual evaluation of the effectiveness of the scrutiny panel, an annual programme of training will be developed for each member of the TSP.

8. Draft Tenant Scrutiny Panel Member Role Description

The role description describes the skills and qualities you would need to carry out the work which is involved in becoming a panel member. It also tells you how the council will help you develop your skills.

8.1 What is involved in tenant scrutiny?

Purpose

The purpose of the role of a Tenant Scrutiny Panel (TSP) member is to work as a member of a team to:

- Represent BHCC tenants and leaseholders, to make sure that they receive services of the highest standard
- Benchmark the performance of BHCC Housing against other similar organisations
- Select the key issues and topics to review and scrutinise
- Take an independent view of the performance of BHCC Housing
- Collect evidence to enable services to be scrutinised
- Assess performance against agreed standards
- Hold councillors and officers to account where performance falls below expected standards

Key Activities

The key activities you would carry out as a TSP member are to:

- Attend meetings, training and planning sessions
- Read documents in preparation for meetings
- Review performance information provided by BHCC Housing and other sources
- Choose issues and topics for review
- Compare performance to other similar organisations
- Question officers on areas of interest
- Participate in detailed reviews of areas of concern
- Where standards fall below expected levels, consider how improvements might be made
- Work co-operatively with other TSP members, BHCC staff and tenants and leaseholders
- Assist in the preparation of reports

Responsibilities

Your main responsibilities as a TSP member would be to:

- Carry out audits of services provided by BHCC
- Work with officers and other residents to understand the services provided and make recommendations for improvements

- Familiarise yourself with, and adhere to, relevant BHCC policies and procedures such as the Code of Conduct, Confidentiality, Health and Safety and Equality and Diversity
- Remain impartial and objective at all times
- Not to raise any personal issues or concerns via the TSP
- Act professionally and carry out your responsibilities with integrity and high standards of behaviour at all times
- Promote the work of the TSP and the wider principles of tenant and leaseholder involvement
- Treat everyone with respect and ensure that you are responsive to the needs of all people in the community.

8.2 What sort of person are we looking for?

Knowledge and experience

- Knowledge and experience of the housing services provided by BHCC
- Knowledge and experience of the needs and expectations of tenants and leaseholders of BHCC

Skills and abilities

This table lists the key qualities and experience you need to be an effective member of the scrutiny panel. Some of the skills are essential but the others can be developed with training and support from the Scrutiny team.

Skill	Essential	Desirable
Commitment	<ul style="list-style-type: none"> • Able to attend regular meetings of the TSP • Commit time to read papers in advance of the meetings • Attend and participate in training sessions 	
Communication skills	<ul style="list-style-type: none"> • Good communication skills • Good listening skills 	<ul style="list-style-type: none"> • Report writing skills • Presentation skills • Able to contribute to meetings
Analysing information	<ul style="list-style-type: none"> • Ability to analyse and question • Making decisions based on evidence 	
Teamwork	<ul style="list-style-type: none"> • Able to work as part of a team • Working to agreed deadlines • Support majority decisions 	<ul style="list-style-type: none"> • Able to share skills and knowledge to help other Panel members

Personal qualities

We would expect a tenant scrutiny panel member to have the following qualities:

- A good communicator
- Have good concentration
- A good listener
- Have an ability to handle and respect confidential information
- Tactful and diplomatic
- Professional, open minded and non judgemental
- Able to work to deadlines and as part of a team
- Able to attend meetings as required
- Respects others and their views
- Able to share skills and knowledge

8.3 What can we offer you?

Training, support & mentoring

All members will undertake an induction programme and further training needs will be assessed. Appropriate training, support and mentoring will be provided.

Improving your opportunities for employment

The tasks you carry out as a TSP member, as well as the training and support which is provided, will enhance your employability skills.

POLICY & RESOURCES COMMITTEE

11 October 2012

Agenda Item 56

Appendix C

Brighton & Hove City Council

Subject:	Extract from the Proceedings of the Housing Committee Meeting held on the 26 September 2012		
Date of Meeting:	26 September 2012		
Report of:	Strategic Director, Place		
Contact Officer:	Name:	Karen Amsden	Tel: 29-1084
	E-mail:	karen.amsden@brighton-hove.gov.uk	
Wards Affected:	All		

HOUSING COMMITTEE

**4.00 pm 26 DECEMBER 2012
COUNCIL CHAMBER, HOVE TOWN HALL**

DRAFT MINUTES

Present: Councillors Wakefield (Chair), Powell (Deputy Chair), Peltzer Dunn (Opposition Spokesperson), Farrow (Spokesperson), Barnett, Fitch, Hawtree, Jarrett, Mears and Shanks

PART ONE

21.1 The Committee considered a report of the Strategic Director Place on the creation of a Tenant Scrutiny Panel. The report set out the model for the Introduction of Tenant Scrutiny Panels in the city. The matter had previously been considered by the City Assembly, Housing Area Panels and the Housing Management Consultative Sub Committee.

21.1 **RESOLVED:**

- (1) That the Housing Committee recommends to Policy & Resources Committee that proposals in the report as outlined in 3 and 4 below, are agreed.
- (2) That Policy & Resources Committee agrees to the establishment of a Tenant Scrutiny Panel in Brighton & Hove, with the terms of reference set out in Appendix A to the report with effect from December 2012.

- (3) That the Strategic Director, Place/Head of Housing & Social Inclusion be granted delegated powers to:
- a. after consultation with the Chair of the Housing Committee and tenant representatives as he/she considers appropriate, appoint the selection panel for the appointment of Members of the Tenant Scrutiny Panel;
 - b. after consultation with the Monitoring Officer, the Chair of Housing Committee and relevant tenant representatives, agree the code of conduct that would apply to Members of the Tenant Scrutiny Panel;
 - c. take any steps necessary or incidental to the establishment and continued operation of the Tenant Scrutiny Panel, including the power to make transitional arrangements as he/she thinks fit.
- (4) That Policy & Resources Committee note that the role of the Overview & Scrutiny Committee, including the powers regarding scrutiny and call-in are not affected by these proposals although the existence of the Panel and its work will be a factor taken into account in deciding what issues the committee reviews.

POLICY & RESOURCES COMMITTEE

11 October 2012

Agenda Item 57

Brighton & Hove City Council

Subject:	Brighton & Hove Community Covenant between Brighton & Hove City Council and the Armed Forces Community in Brighton & Hove		
Date of Meeting:	11th October 2012		
Report of:	Head of Policy Performance and Analysis:		
Contact Officer:	Name:	Clair Hopkins	Tel: 29-1343
	Email:	Clair.hopkins@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 Community Covenants are voluntary statements of mutual support between civilian and Armed Forces communities.
- 1.2 They are intended to complement, at a local level, the Armed Forces Covenant, which outlines the moral obligations between the Nation, the Government and the Armed Forces.
- 1.3 There will be a role for the council in partnership with the Community and Voluntary Sector and Business sector in identifying and supporting projects within the aims and objectives of the proposed Brighton and Hove Community Covenant.
- 1.4 At Full Council on 21st July 2011 a Notice of Motion was carried supporting the development of a Brighton & Hove Armed Forces Community Covenant.

2. RECOMMENDATIONS: That the Committee:-

- 2.1 Approve the Brighton & Hove Community Covenant attached as Appendix 1.
- 2.2 Approve the establishment of a Military Civil Partnership Board to support the Brighton and Hove Armed Forces Community.
- 2.3 Approve the re-launch of the Brighton & Hove Heroes Welcome campaign to show support to British Armed Forces personnel in the city.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 Locally in the City people already support the services community by:-
 - Fundraising
 - Taking part in military events and celebrations -
 - Hero's welcome campaign
 - Armed Forces Day celebrations (annually)
 - Freedom Parade
 - Awarding the freedom of the City to Veterans

3.2 The Council already provides the following services to the Armed Forces Community:-

- The **Housing Benefits Team** provides a liaison service for Armed Service men and women in conjunction with the Royal British Legion.
- There is a National Disregard for War pensions and War widow pensions from £10.00 onwards which affects the amount of Housing Benefit that can be awarded. Currently the council is one of only 5 councils in the country that disregard, any full war pension and war widow pensions received when assessing housing benefits claims.

3.3 As an employer the council has publicly supported SaBRE since May 2008, an organisation which supports Reservists. The council is listed on their website as a supporting employer and supports employees who are members of the Territorial Army by granting them one week paid leave, in addition to their other leave entitlement, to attend reserve forces annual training camps. Any additional commitments would be covered by annual or unpaid leave and, as far as possible; we would facilitate the release of reservists for mobilisation.

3.4 **Current Issues:**

3.4.1 The awaited results of the Military Veteran's Health Needs Assessment carried out by NHS Sussex have now been received. This report was presented at the Sussex Armed Forces Network meeting on 8th May 2012 at which Members of the council's Communities & Equality Team were present.

3.4.2 Although there is limited recording of veteran status within services, there are an estimated 130,000 military veterans in Sussex, of which 17,360 are recorded for Brighton & Hove (*national prevalence assumptions have been applied to local population figures*). The Royal British Legion (RBL) has estimated that given the lack of a "regular" military presence in Sussex it is likely that the proportion of reservists to regulars is higher locally.

3.4.3 The Military Veteran's Health Needs Assessment Report makes seven recommendations which will be added to the Sussex Armed Forces Network Workplan 2012/13. There are several recommendations which the council can jointly feed into, as a starting point for the Community Covenant:-

- Improving data collection – e.g. employees, tenants, social care services etc. (regulars, veterans, reservists).
- Support for reservists through employer policies – Public sector employers should show leadership and ensure they are exemplar reservist employers, considering not just those who have left the service, but notably for veterans who may have delayed reactions post-mobilisation.
- Wider community needs – Housing and Adapted Housing Needs – a number of disadvantages have been identified in relation to accessing housing support or housing adaptations – due to proving a 'local connection' in order to be accepted onto a local housing waiting list, or receive homelessness relief and establishing a credit history to access financial products including mortgages.

- Homelessness – although the number of homeless veterans has declined, specific groups at greater risk of homelessness have been identified:
 - Homeless veterans are far more likely to be from the Army, reflecting a greater intake from disadvantaged communities,
 - Young leavers who have served less than 4 years, and/or are compulsory leavers have been also identified at greater risk
- Mental Health conditions in particular depression, anxiety, alcohol and drug misuse, suicide

4. Proposals for a Brighton & Hove Community Covenant

- 4.1 The production of a Brighton & Hove Community Covenant will provide us with the opportunity to publicise the existing provision and undertake meaningful engagement with the Armed Forces Community. This would include those currently serving in the Armed Forces and their families, Reservists, Veterans and Cadets in the city.
- 4.2 To encourage all parties within the community to offer support to the local Armed Forces Community and make it easier for service personnel, and their families, and veterans to access help and support available within the city from the MoD, the council and other statutory providers and the Community & Voluntary Sector. All these organisations already work closely together in partnership at a local level.
- 4.3 The scheme is intended to be a two way arrangement and members of the Brighton & Hove Armed Forces community are encouraged to support Brighton & Hove civilian communities and promote activity which will integrate the service community into civilian life.
- 4.4 The council will need to establish a Civil Military Partnership Board to better facilitate support to the Brighton & Hove Armed Forces Community. This partnership board will work closely with the Armed Forces Community, statutory providers and the Community & Voluntary Sector in Brighton & Hove to identify, develop and support projects to deliver the Armed Forces Covenant's aims and objectives.
- 4.5 Councillor Rob Jarrett, as chair Adult Social Care Committee, will chair the partnership board and a representative from each of the other political groups will be invited to join. Senior officers at the council from Housing, Health, Democratic Services, Supported Employment team (for re-training and employment) and Visit Brighton will also be involved to support the work of the covenant. It is also intended to involve the Community and Voluntary sector and Business Sector to identify and support projects.
- 4.6 A community covenant grant scheme has been set up to fund local projects which strengthen the ties between members of the Armed Forces Communities and the wider community in which they live by promoting greater understanding between the military and civilian populations. Once the Civil Military Partnership Board is convened and the Community Covenant in place, a bid to fund projects to meet the Civil Military Partnership Board (CMPB) actions identified by the Civil Military Partnership Board can be submitted.

- 4.7 Re-launch of the Brighton & Hove Heroes Welcome campaign which encourages local businesses to show support for British armed forces personnel.

5. COMMUNITY ENGAGEMENT AND CONSULTATION

- 5.1 The council will be engaging with the community and business sector to get them involved and sitting on the Partnership Board.

6. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 6.1 Funding will be sought from the Armed Forces to cover the covenant and other associated activities. Costs associated with the development of the covenant and associated activities to date have been met from within current budgets.

Finance Officer Consulted: Anne Silley

Date: 17/09/12

Legal Implications:

- 6.2 Unless the proposed Civil Military Partnership Board is constituted as a committee or sub-committee of the council, it will have no authority to make decisions or approve any expenditure on behalf of the council. It will exist purely in an advisory capacity. As an advisory body, its terms of reference must state the council committee or sub-committee to which it will make recommendations.

Lawyer Consulted: Oliver Dixon

Date: 21/09/12

Equalities Implications:

- 6.3 Actions to promote equalities issues are prioritised in the vision & criteria for the Brighton & Hove Community Covenant as outlined above and in the report.

Sustainability Implications:

- 6.4 There are no direct implications rising from this report.

Crime & Disorder Implications:

- 6.5 Actions to address crime & disorder issues will be considered as the Brighton & Hove Community Covenant is developed.

Risk and Opportunity Management Implications:

- 6.6 Promotion of opportunity is prioritised in the vision & criteria for the Brighton & Hove Community Covenant outlined as above. Mechanisms for the appropriate management of associated risk underpin outlined process.

Public Health Implications:

- 6.7 Actions to address Public Health issues will be considered as the Brighton & Hove Community Covenant is developed.

Corporate / Citywide Implications:

6.8 Recommendations made support a number of council priorities as outlined. For example:

- Our Corporate Plan 2011-15
- Creating a City of Opportunities: a sustainable community strategy for Brighton & Hove

7. EVALUATION OF ANY ALTERNATIVE OPTION(S):

7.1 No other options have been considered this is a voluntary Covenant to be signed up to by public bodies, local businesses and voluntary organisations, in conjunction with the Armed Forces.

8. REASONS FOR REPORT RECOMMENDATIONS

8.1 Reasons for recommendations are documented throughout the process for developing the Brighton & Hove Community Covenant and are outlined in this report & supported by the attached appendices.

SUPPORTING DOCUMENTATION

Appendices:

1. Draft of Brighton & Hove City Council Community Covenant

Documents in Members' Rooms

1. na

Background Documents

1. na



Community Covenant

between

**BRIGHTON & HOVE CITY COUNCIL, REPRESENTATIVES OF THE
COMMUNITY & VOLUNTARY SECTOR AND BUSINESS SECTOR, AND
THE CIVILIAN COMMUNITY IN BRIGHTON & HOVE**

and

THE ARMED FORCES COMMUNITY IN BRIGHTON & HOVE

dated



THE ARMED FORCES COMMUNITY COVENANT FOR BRIGHTON & HOVE

SECTION 1 – PARTICIPANTS

1. This Brighton & Hove Armed Forces Community Covenant is made between:
 - a. Serving and former members of the Armed Forces and their families working, residing and visiting in Brighton & Hove, and
 - b. Brighton & Hove Council, and
 - c. Other participating groups within Brighton & Hove.

SECTION 2 – PRINCIPLES OF THE ARMED FORCES COMMUNITY COVENANT

2. This Armed Forces Community Covenant is a voluntary statement of mutual support between the Brighton & Hove civilian community and the Armed Forces Community in Brighton & Hove. It is intended to complement the Armed Forces Covenant (Annex A), which outlines the moral obligation between the Nation, the Government and the Armed Forces at the local level. The core principle of the Armed Forces Covenant is that members of the Armed Forces Community should:
 - a. Not suffer disadvantage compared to other citizens as a result of their service;
 - b. Receive equality of outcomes; and
 - c. Receive specialised treatment where appropriate.
3. The purpose of this Community Covenant is to encourage support for the Armed Forces Community working, residing and visiting in Brighton & Hove and to recognise and to remember the sacrifices made by members of this Armed Forces Community, particularly those who have given the most. This includes Service personnel and Service veterans, their families and their widow(er)s.
4. For Brighton & Hove City Council, this Community Covenant presents an opportunity to bring its knowledge, experience and expertise to bear in the provision of support, help and advice to members of the Brighton & Hove Armed Forces Community. It also presents an opportunity to build upon existing good work on other initiatives such as the Welfare Pathway¹.

¹ The Welfare Pathway brings together services to support veterans and uses existing Gateways as the access point.

5. For the Brighton & Hove Armed Forces Community, this Community Covenant encourages the integration of Service life with civilian life and encourages members of the Brighton & Hove Armed Forces Community to help their local community.

SECTION 3 – AIMS AND GENERAL INTENTIONS

6. This Community Covenant complements the Armed Forces Covenant which defines the enduring general principles that should govern the relationship between the Nation, the Government and the Armed Forces Community.

7. It aims to encourage all parties within a community to offer support to the local Armed Forces Community and to make it easier for Service personnel, families and veterans to access the help and support available from the MOD, from statutory providers and from the Community & Voluntary Sector. These organisations already work together in partnership and at local level.

8. The scheme is intended to be a two-way arrangement and members of the Brighton & Hove Armed Forces Community are encouraged to do as much as they can to support the Brighton & Hove civilian community and to promote activity which integrates the Service community into civilian life.

SECTION 4 - MEASURES

9. Brighton & Hove City Council will establish a Community Covenant Civil Military Partnership Board (CMPB) in order to better focus on overall aims and objectives of the community covenant and to help facilitate the provision of support to the Brighton & Hove Armed Forces Community. This Community Covenant Civil Military Partnership Board will work closely with the Armed Forces Community, statutory providers and the Community & Voluntary Sector in Brighton & Hove in order to help identify projects and facilitate implementation. The Community Covenant Civil Military Partnership Board will measure success and will report half-yearly progress.

10. Brighton & Hove City Council will help support the long-term planning and decision making in the support services provided by the Council to the Armed Forces in Brighton & Hove subject to the availability of funds . Brighton & Hove City Council will also co-ordinate and facilitate joint Council/Military Community projects as identified and agreed by the Community Covenant Civil Military Partnership Board. Brighton & Hove City Council will also seek opportunities to involve the local business community in joint projects and activities.

11. Signatories to this Brighton & Hove Community Covenant will work together with the Armed Forces Community in Brighton & Hove and with other individuals and organisations in Brighton & Hove to further the aims of the Armed Forces Covenant.

We, the undersigned, agree to work and to act together to honour this Brighton & Hove Armed Forces Community Covenant

Signed on behalf of Brighton & Hove City Council	Signed on behalf of Community & Voluntary Sector	Signed on behalf of Business Sector	Signed on behalf of Brighton &* Hove Military Community
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Signed on behalf of other Participating Organisations

THE ARMED FORCES COVENANT

An Enduring Covenant Between

The People of the United Kingdom

Her Majesty's Government

– and –

**All those who serve or have served in the Armed Forces of
The Crown**

And their Families

The first duty of Government is the defence of the realm. Our Armed Forces fulfil that responsibility on behalf of the Government, sacrificing some civilian freedoms, facing danger and, sometimes, suffering serious injury or death as a result of their duty. Families also play a vital role in supporting the operational effectiveness of our Armed Forces. In return, the whole nation has a moral obligation to the members of the Naval Service, the Army and the Royal Air Force, together with their families. They deserve our respect and support, and fair treatment.

Those who serve in the Armed Forces, whether Regular or Reserve, those who have served in the past, and their families, should face no disadvantage compared to other citizens in the provision of public and commercial services. Special consideration is appropriate in some cases, especially for those who have given most, such as the injured and the bereaved.

This obligation involves the whole of society: it includes voluntary and charitable bodies, private organisations, and the actions of individuals in supporting the Armed Forces. Recognising those who have performed military duty unites the country and demonstrates the value of their contribution. This has no greater expression than in upholding this Covenant.

POLICY & RESOURCES COMMITTEE

11 October 2012

Agenda Item 58

Brighton & Hove City Council

Subject:	Procurement of Automatic Meter Reading (AMR) Equipment to Electricity, Gas, Water & Heat Meters and of AMR Monitoring Software		
Date of Meeting:	11th October 2012		
Report of:	Strategic Director – Place		
Contact Officer:	Name:	Angela Dymott	Tel: 29-1450
	E-mail:	angela.dymott@brighton-hove.gov.uk	
	Name:	Andy Batchelor	Tel: 29-1441
	E-mail:	andrew.batchelor@brighton-hove.gov.uk	
Wards affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT

- 1.1 One of the Council's key priorities is the creation of a more sustainable city reducing energy and water consumption from our own buildings through a combination of energy efficient and water saving technologies, improved insulation and staff awareness campaigns. In order to assess the effectiveness of these measures we need to have accurate consumption and billing information through the purchase and installation of Automated Meter Reading (AMR) equipment which will help to provide a full understanding of our baseline consumption profiles to enable robust budget and carbon management of our property portfolios. The information will also ensure that business cases for future energy efficiency projects are robust and realistic in respect of potential revenue savings generated.
- 1.2 This report explains the background behind the corporate proposal to introduce AMR equipment to energy and water meters within prioritised council buildings and the consequential need to procure AMR monitoring software to collect the data and to enable full analysis and reporting of consumption across our property portfolios.
- 1.3 Accurate, timely and reliable energy and water consumption data is required to assess and monitor the success or otherwise of projects commissioned through our energy and water reduction strategies, the Council's compliance with Bio Regional's One Planet requirements and our own targets and action plans to reduce our carbon footprint and assist with statutory returns including the Carbon Reduction Commitment (CRC) scheme.

2. RECOMMENDATIONS

- 2.1 That the Policy & Resources Committee authorises the Head of Property and Design to approve the procurement and award of:

(i) A contract with a term of five years for the purchase and installation of AMR equipment to all Priority 1 and 2 sites for water, gas, electricity and heat metered supplies to schools, common ways of housing flats and other corporate buildings through the existing Government Procurement Services framework agreement at an estimated initial cost of up to £500,000 with subsequent annual data collection charges estimated at £60 per meter per annum (up to £50,000 per year) for five years.

(ii) A contract with a term of five years for the provision of a suitable AMR monitoring software tendered using an open procedure in order to maximise the benefits of the AMRs including consumption monitoring, high consumption alerts and web-based 'live' information available to schools and building users. The cost of the contract for the AMR monitoring software is included in Section 2.1 above.

3. RELEVANT BACKGROUND INFORMATION / CHRONOLOGY OF EVENTS

3.1 Currently the Council's utility billing system is based on a combination of utility company reads, estimated reads and our own customer reads. The billing cycle is outside of our control and is often sporadic meaning that a full financial year can often pass without a bill being issued based on an actual read. This makes it difficult to fully understand the baseline consumption and how it varies over a period of time and between seasons. As a consequence we are unable to accurately determine the benefits of any energy and water saving measures we introduce. This has the following detrimental effects:

- One of the commitments within the 2011-15 Corporate Plan is to develop a carbon budget for the Council to be reported alongside the financial budget to provide accountability for our carbon emissions. This will be impossible to achieve with any degree of accuracy without AMR data.
- The Carbon Reduction Commitment (CRC) scheme introduced by the Department for Energy & Climate Change requires the Council to purchase carbon allowances based on the level of carbon emissions from its operations. Where we have to calculate these emissions based on estimated consumption data we are obliged to increase our consumption data by 10% resulting in a higher overall cost.
- The Council has committed to reducing its carbon footprint annually and to 'One Planet Council' accreditation. The installation of AMRs is key as the only way to produce the accurate consumption data necessary to demonstrate carbon reductions.
- Underground leakage in water mains often cannot be readily identified and repaired until the next 'actual read' bill is sent by Southern Water. Thousands of litres of water can be lost in the meantime causing potential wastage and unnecessary spending on estimated bills.

3.2 To enable us to fulfil our commitments, the Council's Carbon Management Board approved a scheme to introduce AMR equipment and AMR monitoring software into council properties to cover electricity and gas meters in May 2011. The scope of the requirement has been increased to include the installation of AMRs to water meters to corporate operational buildings with budget allocation for all priority 1 and 2 supplies.

The specifications for both the AMR installation and the AMR monitoring software are currently being prepared with an expectation of inviting tenders for the AMR purchase and installation contract through the Government Procurement Services framework agreement during November 2012.

Housing are part of this exercise and the Housing Revenue Account has set aside funds to meet the purchase and running costs associated with the installation of AMR equipment and AMR monitoring software to their prioritised building list.

3.3 The expected benefits of completing this project are summarised in **Appendix C**.

3.4 Automated Meter Reading (AMR) Equipment

3.4.1 AMR equipment is the technology of automatically collecting consumption, diagnostic and status data from water or energy (gas, electric and heat) metering devices and transferring that data to a central database for billing, troubleshooting, and further analysis. Heat meters are installed to renewable heat installations such as ground source heat pumps to enable the Council to take advantage of the government's Renewable Heat Incentive (RHI) tariff payments.

3.4.2 AMR equipment is the only method of accurately recording water and energy consumption trends as a means to identify excessive usage or major water main leaks between meter reading cycles.

3.4.3 AMR equipment will be sited alongside existing metering equipment, translating the meter's pulse signal to a meter reading and transmitting this to a central data logger. Where an existing meter does not contain a pulse function then it will need to be replaced by the appointed installation contractor as part of this project.

3.4.4 Transmitted data will be collected and forwarded:

- to the utility company (for energy) for billing purposes which virtually eliminates future estimated reads and
- to the Council – to maximise benefits this requires dedicated AMR monitoring software to enable us to view, analyse and accurately report on consumption and cost data (see 3.5 below).

The AMR equipment installer and service provider appointed under this proposal will charge for on-going data collection services which are estimated to total approximately £60 per meter per year on average to include the on-going costs of licensing the AMR monitoring software.

3.4.5 The property Energy & Water Team currently manage approximately 2,300 utility meters. These have been prioritised for the AMR equipment installation programme according to the definitions set out in **Appendix A**.

3.4.6 Our aim is to install AMR equipment to the Priority 1 and 2 meters (approximately 950 in total). The number of meters provisionally included within each portfolio is set out in **Appendix B**.

The remaining 1350 meters are either considered to have too low a consumption to warrant the costs associated with an AMR equipment install, are on existing unmetered water supplies or have been excluded for service specific reasons.

- 3.4.7 However, until all of the sites are surveyed we will not know exactly how many gas and water meters will have to be replaced in order for the AMR equipment to operate (i.e. how many meters already have the necessary pulsed output).

This will affect the overall cost but, if the initial survey indicates that the final costs for the priority 1 and 2 meters would exceed the budget available, we will only instruct those that can be afforded within the budget, working down the prioritisation list and with the highest consuming meters installed first. The number of meter replacements has been approximated by Property & Design at this stage in order to calculate a budget estimate for the project.

- 3.4.8 It is proposed that the AMR equipment and installation is procured through an existing framework agreement managed by Government Procurement Services and a specification and Invitation to Tender document is currently being finalised. The successful provider will be appointed on the basis of both price and quality of service. It is intended that a contract for a period of five years will be called off from the framework agreement after which a new data collection service will need to be procured using the installed AMR equipment.

- 3.4.9 The benefits of the AMR installation programme are summarised in **Appendix C** and include the ability to calculate accurate baseline consumption data for our properties. This will enable us to develop robust business cases for future energy and water improvement projects and a means of monitoring the success of the projects over time.

In addition the programme is expected to generate revenue savings including the following:

- Under the CRC scheme estimated meter readings incur a 10% penalty uplift to our reported consumption resulting in the need to purchase additional carbon allowances. This uplift will be reduced by the removal of estimated readings through the AMR installation programme leading to a lower CRC carbon allowance charge.
- Lower overall water bills will result from early leakage detection. Recent examples are Saunders Park where an £89,000 bill was received for a major leak that went undetected for several months and Kingsway Bowling Greens where a leak resulted in an excess bill of £25,000.
- The ability to record energy and water consumption profiles over a period of time will allow Property & Design to identify and target unexpected consumption peaks especially in out-of-hours periods. The same information will support building managers to encourage staff and occupants to monitor and seek additional ways to reduce consumption through the Building Healthcheck process.

3.5 AMR Monitoring Software

- 3.5.1 A software solution is required to receive the AMR equipment data and translate this into usable information. AMR equipment data is usually collected on a maximum half hourly cycle and transmitted on a day plus one basis. This allows

daily usage profiles to be built up to identify baseline consumption, peaks of demand and where remedial actions can be targeted.

3.5.2 The benefits of the software solution are:

Value for Money Criteria: A dedicated energy management tool which can be used to carry out detailed analysis of consumption and cost data, analyse trends including comparisons of usage across similar sites, generate reports, factor in external influences such as external temperatures and issue alerts on unexpected consumption data as a means to identify excessive energy or water use including leaking water pipework.

Improving Customer Experience Criteria: An awareness tool allowing individual building users to view energy and water consumption for their own sites on a day plus one basis as a means to educate and encourage water and energy saving measures. The ability for schools to use energy and water consumption data for their own buildings as a curriculum teaching aid.

Statutory & Regulatory Criteria: Provides support for the information required to generate statutory Display Energy Certificates (DECs). This also supports data input for the statutory CRC requirements including an audit trail of data and data changes.

- 3.5.3 A specification of requirements for the AMR monitoring software has been produced, consulted on and approved by the ICT Change Advisory Board in July 2012. It is proposed that the AMR monitoring software is procured through an open tender process advertised on the South East Business Portal as no suitable framework agreement exists for the Council's requirement. The successful supplier will be appointed on the basis of both price and quality of product.

4. COMMUNITY ENGAGEMENT AND CONSULTATION

- 4.1 Initial consultation has been undertaken with housing management, the schools team and the sustainability team to agree the method of prioritisation and funding availability. The specification for the AMR monitoring software has been circulated to these teams and suggestions for improvements have been incorporated into the final document which was reviewed and approved by the ICT Change Advisory Board in July 2012.
- 4.2 Further consultation will be undertaken with building managers and relevant stakeholders prior to the commencement of the installation project.

5. FINANCIAL & OTHER IMPLICATIONS

Financial Implications:

- 5.1 The purchase, installation and initial software cost of the AMR equipment is to be funded from existing reserves of £307,000 specifically set aside for AMR equipment plus a further contribution of £90,000 from the school's Carbon Reduction Commitment (CRC) budget in this financial year and £100,000 from the One Planet Living Fund. The ongoing annual running costs associated with the data collection service will be met from existing CRC budgets for the schools

estimated at £20,000 per annum and the £26,000 for the corporate AMR equipment will be met from the Corporate CRC budget and utility bill budgets. The purchase and running costs associated with the Housing AMR equipment will be met from reserves set aside with the Housing Revenue Account.

Whilst it is difficult to project accurate figures for savings until the scheme is in operation, it is expected that savings will be generated through more efficient monitoring of energy and gas usage and therefore plans can be implemented to rectify excessive use at schools and operational buildings as well as the early detection of water leaks to reduce water bills. The accurate submission of energy use will reduce the Council's contribution towards the CRC scheme by as much as 10% for submissions where AMR equipment is to be fitted and which are currently based on estimated reads.

Finance Officer Consulted: Rob Allen Date: 23rd August 2012

Legal Implications:

- 5.2 The approval of Policy & Resources Committee is required for matters with corporate budgetary implications, such as the procurement of AMR equipment and monitoring software for which the costs are likely to exceed £500,000. Accordingly the committee is entitled to agree the recommendations at Section 2 above.

Further, the council's contract standing orders require that authority to enter into a contract valued at £500,000 or more be obtained from the relevant committee. The proposal to introduce the equipment and software across a range of council property makes Policy & Resources the appropriate committee in that regard too.

The procurement of the new AMR equipment and the AMR monitoring software must comply with all relevant European and UK public procurement legislation. Legal officers will be advising on this aspect once the committee's authority to proceed is given.

Lawyer Consulted: Oliver Dixon Date: 31 August 2012

Equalities Implications:

- 5.3 There are no equalities implications.

Sustainability Implications:

- 5.4 AMR equipment will allow energy and water consumption to be accurately monitored and corrective actions identified supporting the Council's commitment to reduce its carbon footprint and the bid for 'One Planet' accreditation. AMR monitoring software will enable building managers to view 'live' consumption data in order to assist the early identification of water leaks and target buildings for energy efficiency measures that exhibit high relative usage.

Crime & Disorder Implications:

- 5.5 There are no crime & disorder implications.

Risk and Opportunity Management Implications:

- 5.6 AMR equipment is are key to obtaining accurate and timely energy & water consumption data allowing us to greatly improve our programming of future energy efficient measures and allowing fast identification of major water leakage. Our supplies have been prioritised to take maximum advantage of this by targeting the highest risk buildings. The opportunities afforded by the project are detailed in **Appendix C**.

Public Health Implications:

- 5.7 There are no public health implications.

Corporate / Citywide Implications:

- 5.8 As contained in the body of the report, the programme of AMR equipment installations will supports the council's priorities - our commitment to reduce our carbon footprint annually, the bid to become a One Planet Council, to identify and take early action on water leakage and to address poor energy performing buildings across the Council's property portfolios.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 Do Nothing Option – Maintaining the status quo will result in continuing inaccurate water and energy consumption monitoring based predominantly on estimated billing. This will mean that our baseline data remains of poor quality potentially leading to poor budget management and overspends, unreliable assessment of future energy efficiency measures and an inability to target resources at the worst performing buildings. Water leaks will remain difficult to identify promptly resulting in higher than necessary bills and substantial water wastage.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 This report proposes the purchase and installation of Automated Meter Reading (AMR) equipment into a prioritised list of council buildings and the procurement of AMR monitoring software to increase the accuracy and timeliness of our consumption data.
- 7.2 The benefits of this approach are detailed in **Appendix C** and in summary include:
- The ability to target future energy efficiency schemes on the worst performing buildings ensuring investment is targeted to priority buildings and areas,
 - Provides an early warning on changes to consumption allowing early intervention,
 - Assessing the success or otherwise of energy efficiency projects providing essential feedback for inclusion in future schemes,
 - Improved forecasting of energy and water budgets,
 - Compliance with CRC requirements with an auditable history of consumption at each AMR site,

- Improved accuracy of Display Energy Certificate (DEC) reporting and
- By providing a user web portal to their consumption data on a virtually live basis, building staff and occupants will be encouraged to make consumption savings including school children as an aid to the curriculum.

SUPPORTING DOCUMENTATION

Appendices:

Appendix A: Definition of AMR priorities & methodology

Appendix B: Summary of utility meters by portfolio & AMR prioritisation

Appendix C: Summary of benefits expected from the AMR monitoring software

Documents in Members' Rooms

None

Background Documents

None

APPENDIX A: Definition of AMR Priorities & Methodology

	Electricity Meters	Gas Meters	Water Meters	Heat Meters
Priority One	Meters with an annual consumption of £300 or above	Meters defined as 'core' under the CRC definitions (currently over 73,200 kWh pa) during one or both of the previous two years	High consumption (for schools - above £5k pa) and high risk of leakage (e.g. long and complex pipe runs)	Renewable technology installations which qualify for a Renewable Heat Incentive (RHI) tariff payment
Priority Two	Meters below £300 annual spend but located on a site with other Priority 1 meters	Meters defined as 'non core' over the previous two years but located on a site with other 'core' meters	Lower consumption and high risk of leakage or very high consumption	-
Priority Three	-	Other meters with a 12 month consumption bill of £300 or above	Medium to high consumption and lower risk of leakage	Renewable technology installations which do not qualify for an RHI tariff payment but where output monitoring may be useful for research purposes
Priority Four	Meters with an annual spend below £300	Other meters with an annual consumption below £300	Lower consumption and lower risk of leakage	-
Exclusions	Meters within assets which have been or are scheduled to sold or otherwise released, existing half hourly electricity meters, zero consumption meters or specific exclusions by Housing Management.			-

Notes:

The above prioritisation definitions apply to the Schools and Corporate asset meters. Housing have set their own prioritisation definitions for their portfolio and their overall requirements are summarised in Appendix B.

APPENDIX B: Summary of Utility Meters by Portfolio & AMR Prioritisation

Utility	Total	Overall Summary				
		Priority 1	Priority 2	Priority 3	Priority 4	Excluded
Electricity Meters	1,406	355	13	-	55	983
Gas Meters	334	179	48	37	5	65
Water Meters	554	83	256	1	79	135
Heat Meters	12	12	-	-	-	-
TOTALS	2,306	629	317	38	139	1,183

Broken down as follows:

Meters included in this proposal

Utility	Corporate Portfolio					Schools Portfolio					Housing Portfolio				
	Pr 1	Pr 2	Pr 3	Pr 4	Excl.	Pr 1	Pr 2	Pr 3	Pr 4	Excl.	Pr 1	Pr 2	Pr 3	Pr 4	Excl.
Electricity Meters	191	10	-	55	62 ^A	85	3	-	-	23 ^A	79 ^B	-	-	-	898 ^B
Gas Meters	43	8	27	5	22 ^C	111	40	10	-	13 ^C	25 ^B	-	-	-	30 ^B
Water Meters	32	200	1	75	12 ^C	51	56	-	4	1 ^C	-	-	-	-	122 ^B
Heat Meters	1	-	-	-	-	11	-	-	-	-	-	-	-	-	-
TOTALS	267	218	28	135	96	258	99	10	4	37	104	-	-	-	1,050

Notes:

- A Either half hourly meters (already with AMR), zero consumption meters or in assets either sold or soon to be released
- B Housing have used their own criteria to prioritise or exclude AMRs to meters within their assets
- C Meters in assets either sold or soon to be released

APPENDIX C: Summary of AMR & Monitoring Software Benefits

	Current Situation	Benefit Expected	Anticipated Outcome	How Measured
1	Energy & water consumption data is reliant on the provision of manual meter reads across more than 2,300 meters	AMRs will reduce the reliance on physical meter reads allowing us to more accurately monitor consumption	More accurate data will allow us to focus energy efficiency measures on the worst performing assets	AMRs will not generate savings alone but will allow more targeted efforts against our worst assets resulting in consequential savings
2	Many energy and water bills are based on estimated reads leading to consumption assumptions and inaccuracies	Improved accuracy of billing	Improved budget monitoring	Greater accuracy of budget forecasts monitored by Property & Design under our Corporate Landlord model
3	Energy consumption data is only able to be analysed and reported when bills are submitted unless manual readings are taken	Improvement in bill accuracy	Early warning of changes in consumption allowing early interventions. Accurate monitoring of energy efficiency schemes	Increased accuracy of business cases ensuring best use of council financial resources targeted at solutions with the best pay back
4	Difficult if not impossible to assess our baseline consumption	Accurate calculation of our baseline consumption	Compliance with CRC requirements Auditable history of consumption and site records	Continuing CRC compliance
5	Validation of bills is undertaken by an external consultant	Automatic validation of energy and water bills	No requirement to reappoint the validation company at the end of their current contract (April 2013)	
6	Poor leak detection due to sporadic water meter reads	Early and automatic identification of leaking water pipes	Reduced leakage levels Reduced water bills	Reduction in metered bills

Current Situation	Benefit Expected	Anticipated Outcome	How Measured
<p>7</p> <p>Manual input of Display Energy Efficiency data</p> <p>Data unable to be shared with building managers and other interested parties</p>	<p>Automatic production of DEC certificates and Advisory Reports linked to the data held in the database</p> <p>Early warning of DECs due to expire</p>	<p>Improved accuracy and timing of DEC reports</p> <p>Reduced staff time in producing DECs</p> <p>Auditable history of DEC records</p> <p>Information available to view by building staff on-line</p>	<p>Continuing DEC compliance</p>
<p>8</p> <p>Low incentive for building managers and staff to save energy and water as they have no means of assessing the success of any measures undertaken</p>	<p>Live data available to view by staff on site (and pupils in schools) to encourage energy & water saving measures</p>	<p>Consumption reductions leading to cost savings</p>	<p>Overall energy and water bill reduction</p>
<p>9</p> <p>Poor consumption data available for building users</p>	<p>Ability for schools to introduce live energy information into the school curriculum to encourage pupils to take an active interest in energy efficiencies</p>	<p>Greater interest by pupils encouraging energy and water savings both at school and at home</p>	<p>Overall energy and water bill reduction</p>
<p>10</p> <p>Consumption & cost data is currently held in a variety of spreadsheets and manually analysed leading to a greater potential for errors</p>	<p>Single, accurate database of energy and water data providing live (day plus one) information</p>	<p>Exporting of data direct from the central database will ensure consistency of other reporting and benchmarking requirements (e.g. NaPPMI property PIs)</p>	<p>Accurate and timely PI reporting including energy & water consumption including carbon emissions</p>
<p>11</p> <p>Council working towards One Planet Council</p>	<p>Support for One Planet accreditation (zero carbon and water reduction themes)</p>	<p>Improved accuracy and reliability of data and greater confidence in the baseline data</p>	<p>Achievement of One Planet endorsement</p>

POLICY & RESOURCES COMMITTEE

11 October 2012

Agenda Item 59

Brighton & Hove City Council

Subject:	Voluntary Dedication of Land under the CRow Act		
Date of Meeting:	11 October 2012		
Report of:	Strategic Director Resources		
Contact Officer:	Name:	Jessica Hamilton	Tel: 291461
	Email:	Jessica.hamilton@brighton-hove.gov.uk	
	Name:	Angela Dymott	
	Email:	Angela.dymott@brighton-hove.gov.uk	
Ward(s) affected:	Patcham and Hollingdean & Stanmer		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 The Council's Corporate Plan aims to create a more sustainable City and protect and enhance the City's natural environment promoting the City's Downland Estate to enable a healthier City, encourage adult participation in sport and active recreation and support ecotourism. The State of the Local Environment – Summary Report 2011, reported that according to future population estimates the city will need to increase the amount of open space by approximately 215 hectares by 2026 (to meet recommended standards). The current provision of natural & semi-natural green space is relatively good, however the majority of this space is located on the edges of the city. These areas play a key role in wildlife conservation & biodiversity within the city & also offer important recreational opportunities. By maintaining the current level of provision, a significant amount of additional natural & semi-natural green space would be required by 2026, to keep up with the projected increase in population. In addition the City Downland Estate Policy promotes expansion of the amount of access land adjacent to the urban areas of Brighton & Hove for citizens and visitors to enjoy and experience. The Council has considerably increased its amount of open access land over the years and this proposal continues with that achievement.
- 1.2 To help meet these objectives the council's managing agents for the City Downland Estate, Smiths Gore, have recently negotiated terms for 3 new Farm Business Tenancies to include permissive open access rights where previously there were none, thus increasing substantially the amount of open access land available on the council's City Downland Estate in urban fringe locations for the benefit of residents and visitors to the city. In order to ensure the access rights are protected it is proposed the land be dedicated as public access land under procedures set out in the Countryside and Rights of Way Act 2000 (The CRow Act), which will ensure the land is retained as public access into perpetuity.
- 1.3 In addition there is a desire to dedicate land at Plumpton as public access land under the CRow Act procedures as this land, leased to Plumpton College, is

adjacent to existing CRoW Act land and is currently accessed as if it were public access land.

- 1.4 Officers have delegated powers to undertake the management of land and the report is being brought for Committee approval due to the rights under the CRoW Act being dedicated in perpetuity.

2. RECOMMENDATIONS:

- 2.1 That Committee authorises the dedication of land identified below as public access land into perpetuity under procedures set out in the CRoW Act:

- 1. Land at Ditchling Road (37.07 hectares)
- 2. Patcham Court (Patcham Court Valley) (96.32 hectares)
- 3. Patcham Court (Scare Hill & Tegdown North) (178.58 hectares)
- 4. Land at Plumpton (27.29 hectares)

Please refer to Appendix 1 for plans identifying each of these areas 1-4.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The Downland Initiative originally commissioned in 2005 by the Council, Property & Design in conjunction with the Countryside Agency (now Natural England) and the South Downs Joint Committee (now South Downs National Park Authority) examined the feasibility of securing more sustainable management of the Downland surrounding the city so that it delivers greater social and environmental benefits. The Downland Initiative has recently been revised to ensure its fit with the council's priorities and Biosphere project and has been renamed as the City Downland Estate Policy. Its overarching aim is to: -

Sustain natural resources provided by the council's downland estate by working in partnership with relevant stakeholders and potential beneficiaries and pursuing an economically sustainable approach for the council and its tenant farmers.

Detailed aims and the recommendations of the study include public access, recreation and understanding and one of its aims is to increase and improve public access on the council's City Downland Estate.

- 3.2 The land on either side of Ditchling Road previously formed part of Home Farm and the majority of it remained vacant when the farm tenancy was surrendered in 2005. More recently the land has been fenced to include several gates and a water supply reconnected to allow the land to be grazed. The land will be let on terms to include permissive open access. (See Plan 1, Appendix 1).
- 3.3 The council's managing agents for the City Downland Estate, Smiths Gore, have recently negotiated terms for 2 Farm Business Tenancies on land that formed part of Patcham Court Farm, to include permissive open access where previously there was none, thus increasing substantially the amount of open access land available on the council's Downland Estate. (See Plans 2 and 3 Appendix 1)

- 3.4 As part of the lease negotiations for open access land the council and tenant farmers have worked together to agree locations for new gates, which will be funded and maintained by City Parks. (See Appendix 2 which provides a plan illustrating the locations of the new gates to be installed). This land is adjacent to the open access land at Stanmer (to the West of the Ditchling Road) and as part of the South Downs National Park provides a substantial additional space for residents and visitors to the City to enjoy.
- 3.5 The land at Plumpton Hill is let to Plumpton College and whilst the tenancy does not include a requirement for the tenant to allow open access, the land is currently accessed by the public and is adjacent to land, controlled by Plumpton College (not in the council's ownership) which is dedicated as public access land under the CRoW Act. (See Plan 4, Appendix 1).
- 3.6 The CRoW Act was introduced to, amongst other things, provide a new right of public access on foot to areas of open land comprising mountain, moor, heath, down, and registered common land, and contains provisions for extending the right to coastal land. Under the Act landowners may dedicate land voluntarily under the CRoW Act, the result of which is the protection of the dedication into perpetuity and is irrevocable.
- 3.7 Under the CRoW Act, the public can walk freely without having to stick to paths and can enjoy activities carried out on foot, including walking, sightseeing, bird watching, climbing and running, but there are some common sense restrictions in place which limit where people can walk or take a dog. The rights granted do not include camping, cycling, horse riding or driving a vehicle (except mobility scooters and buggies), hang-gliding or paragliding, use of a metal detector, taking part in organised games or commercial activities, swimming; or removing anything from the area – including stones or fallen wood. However, existing rights such as riding a horse on a public bridleway are not affected.
- 3.8 The introduction of permissive open access on the land at Patcham Court Farm will have a detrimental affect on the rental value of the land. The total rent reduction for the two Patcham Court Farm tenancies will be approx £7200 pa, that includes a slight increase in the residential rental income and the loss of ESA grant to be replaced with HLS, which pays less grant. The introduction CRoW Act dedication will have no further detrimental impact on the rental value of the land than permissive open access. The dedication will have an impact on the capital value of the land but as the council has no intention of selling the land a reduced capital receipt will not be realised. It is difficult to quantify the effect of such a dedication, as comparable land with a dedication is not common, and the advice is that it could be in the region of 30-50%.
- 3.9 In addition to the 2 tenancies at Patcham Court Farm a third tenancy (box hatched on Plan 3, Appendix 1), farmed as arable, has been negotiated to include access routes through the land and the introduction of additional measures, funded by the tenant farmer, supported by Natural England through the Higher Level Stewardship Scheme, to support biodiversity in the area, including: -

- Beetle bank
- Bird plot
- Grass field margin

It is an agreed approach amongst the organisations and agencies responsible for the protection and promotion of wildlife (including DEFRA, RSPB, SDNPA, Natural England and B&HCC) that improved biodiversity is best supported through the provision of a range of habitats and so the retention of arable within the swathe of chalk grassland is a beneficial feature for biodiversity in the area and will be further supported through the introduction of the additional features.

4. COMMUNITY ENGAGEMENT AND CONSULTATION

- 4.1 Consultations have been carried out with the tenants, internal teams and relevant third parties on these proposals.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The process for negotiating the open access to the four areas of land was undertaken by the Council's managing agents as part of their contract with the council and any ongoing costs such as installation and maintenance of gates etc are being met from existing budgets within City Parks. The effect of introducing permissive access on the land will result in a lower rental value being achieved. It is estimated the rents for the sites at Patcham will reduce whilst the land at Ditchling Road is a new lease and the land at Plumpton has a fixed lease. However dedication under the CROW Act will have no further affect on rental value. Dedication under the CROW Act will result in a lower capital values being achieved should the land ever be considered to be sold in the future of approximately 30%-50%.

Finance Officer Consulted: Rob Allen

Date: 22/08/12

Legal Implications:

- 5.2 The Council has the power as landowner to dedicate land as "access land" under section 16 of the Countryside and Rights of Way Act 2000. Dedication creates a statutory right of access on foot. The act of dedication is irrevocable and binds successive owners and occupiers of the land (and others with an interest in that land) so that the right of access is protected for all time.

The Council will need to make a Deed of Dedication in accordance with the relevant procedure regulations and the right of access will come into effect six months later.

Lawyer Consulted: Carl Hearsum

Date: 16/08/2012

Equalities Implications:

- 5.3 An Equalities Impact Assessment has not been undertaken as the introduction of the recommendation set out in 2.1 is not considered to have a negative impact.

When considering the locations for the new gates on the land that previously formed part of Patcham Court farm, in addition to a number of other factors, consideration was given to the topography of the land to ensure access is available to as many people as possible.

Sustainability Implications:

- 5.4 The additional features to be introduced by the tenant farmer of the arable land at Patcham Court Farm (box hatched area Plan 3 Appendix 1) will improve wildlife habitats in the area.

Crime & Disorder Implications:

- 5.5 It is hoped that with increased public access on the land there will be fewer incidences of crime and disorder (such as motorbikes, traveller incursions, fly tipping etc). Whilst the CRow Act requires dogs to be kept on a lead of no more than 2m long between 1st March and 31st July (the main breeding period for ground-nesting birds) or at any time of year when you are near livestock, this is difficult to police and one cause for concern is the increased potential for dogs not under control to cause distress, injury or death to livestock. This issue forms part of a wider discussion on responsible access of the countryside and public education.

Risk and Opportunity Management Implications:

- 5.6 The main risk identified is of people not following basic countryside rules to respect the environment and the farmers' crops and livestock. Should issues of this nature arise, the council and tenants will work in partnership to address these.

Public Health Implications:

- 5.7 Increasing land available for public access and protecting that designation into perpetuity directly supports and promotes an active lifestyle for the inhabitants and visitors to the city thus encouraging a healthy standard of living.

Corporate / Citywide Implications:

- 5.8 Increasing land available for public access and protecting that designation into perpetuity directly supports and promotes the aim of the Corporate Plan and the Council's City Downland Estate Policy.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 It is possible for the land identified to remain as permissive open access land without the CRow Act dedication. This would allow the public access to be restricted in the future should new policies support a different approach.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 Under the council's City Downland Estate Policy it is the aim to significantly expand the amount of access land adjacent to the urban areas of Brighton &

Hove. This supports the corporate plan and the council's priorities for a sustainable City protecting and enhancing the City's natural environment through the promotion of the City's Downland Estate to enable a healthier City, encourage adult participation in sport and active recreation and support ecotourism. In addition the City Downland Estate Policy promotes expansion of the amount of access land adjacent to the urban areas of Brighton & Hove for citizens and visitors to enjoy and experience. The council's managing agents, Smiths Gore have negotiated terms for 3 new leases (totalling 311.97 hectares) to include public open access. In addition open access is being permitted on land held under an existing lease by Plumpton College (27.29 hectares).

- 7.2 In order to protect the public rights of access into perpetuity it is recommended that the land identified in part 2.1 of this report be dedicated voluntarily under the provisions of the CRow Act.

SUPPORTING DOCUMENTATION

Appendices:

1. Plans identifying land to be dedicated under the CRow Act
2. Plan identifying location of the proposed new gates on land previously forming part of Patcham Court Farm

Documents in Members' Rooms

None

Background Documents










None

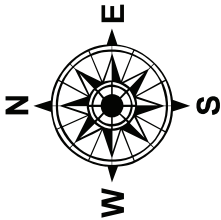
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Legend

New Gates

Notes

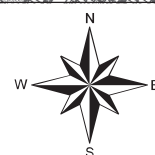
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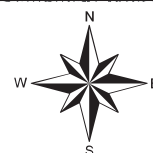
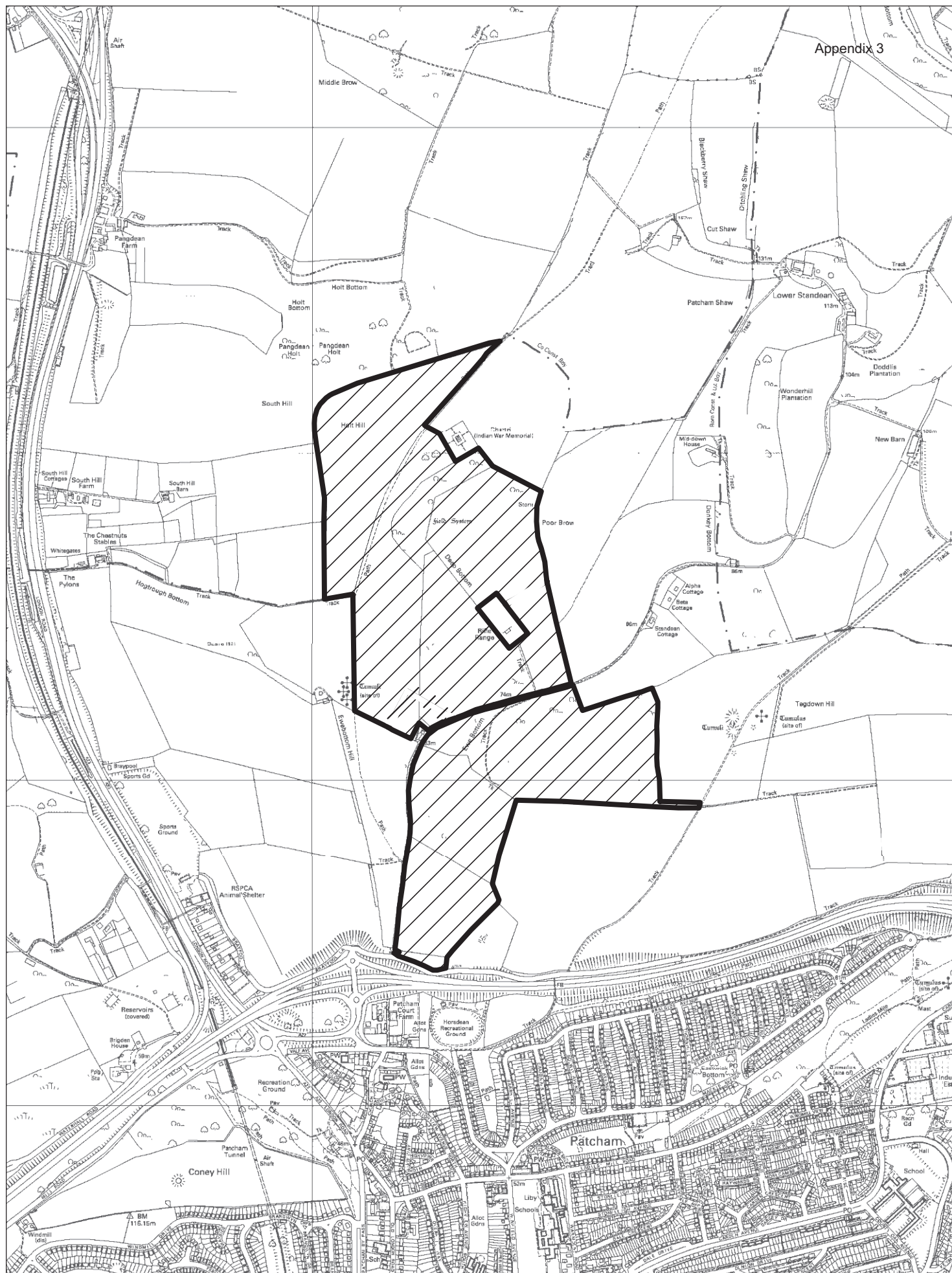


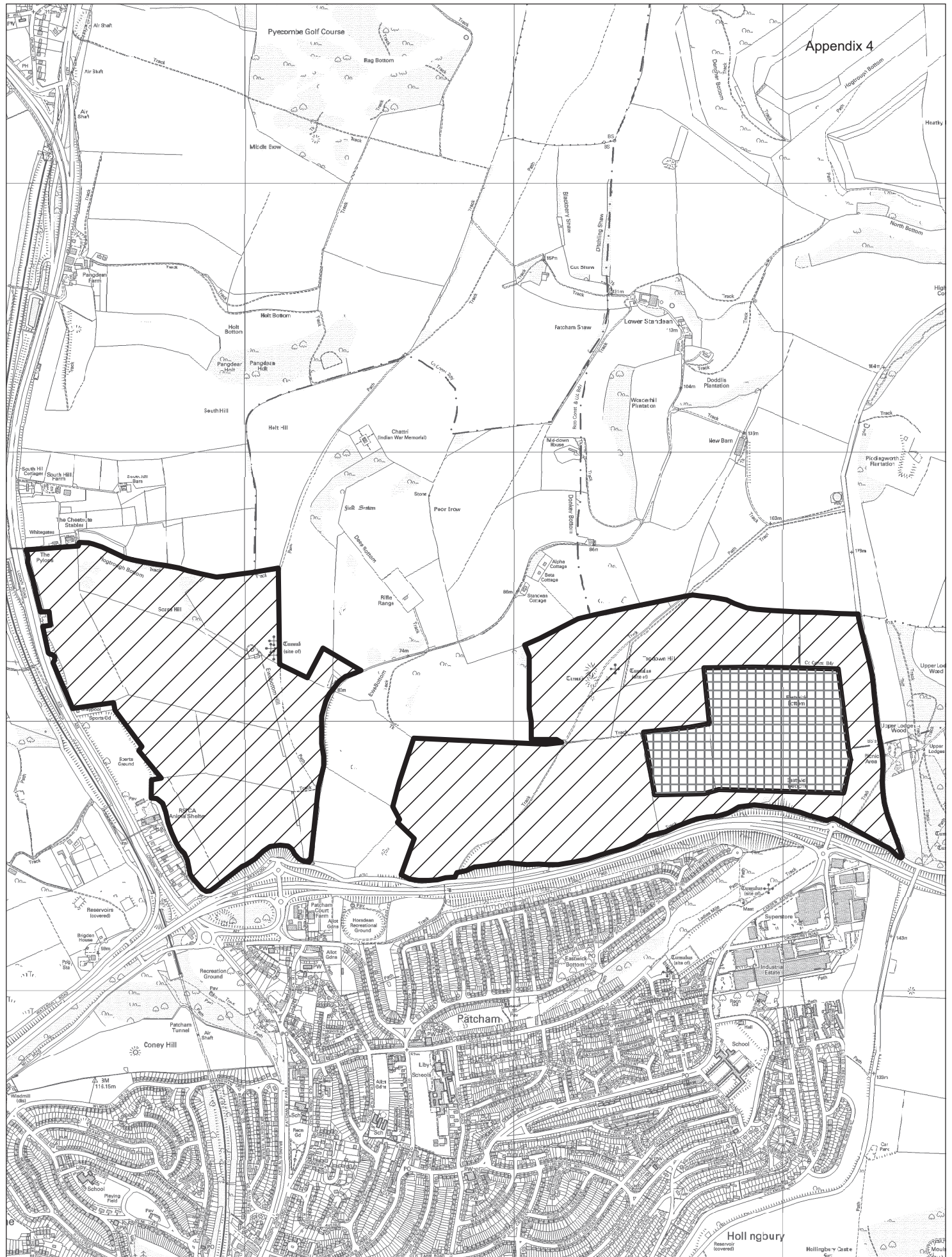
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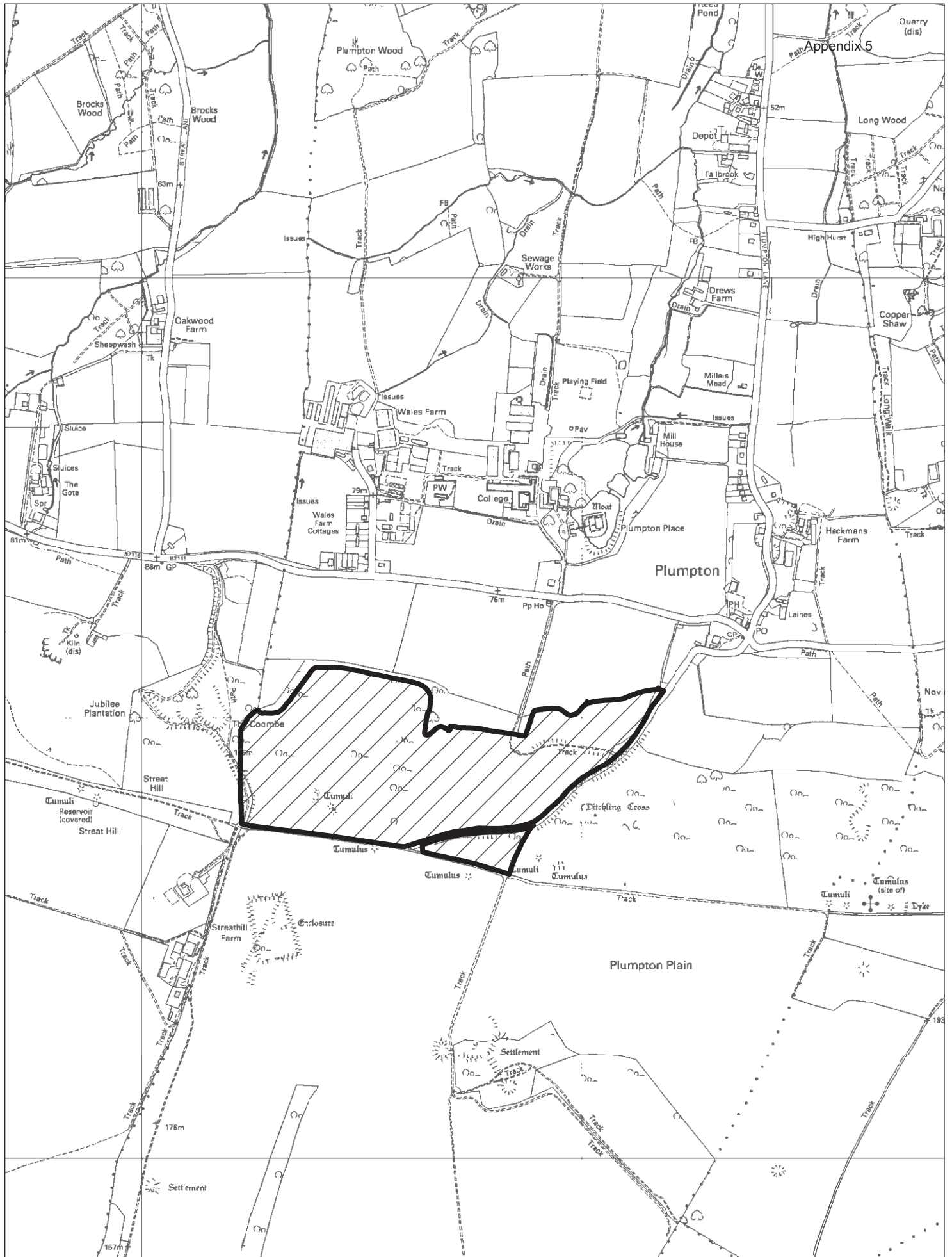
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POLICY & RESOURCES COMMITTEE

11 October 2012

Agenda Item 60

Brighton & Hove City Council

Subject:		Accelerated Workstyles	
Date of Meeting:		11 October 2012	
Report of:		Strategic Director Place	
Contact Officer:	Name:	Angela Dymott	Tel: 291450
	Email:	Angela.Dymott@brighton-hove.gov.uk	
	Name	Hale Ucar	Tel 290336
	Email	Hale.Ucar@brighton-hove.gov.uk	
Ward(s) affected:		ALL	

For General Release

1. SUMMARY AND POLICY CONTEXT:

- 1.1 This report seeks to inform Policy & Resources Committee of the progress of the Workstyles Transformation project and the recent work, options appraisals and analysis undertaken to accelerate and potentially integrate the corporate Workstyles programme and next phases. It sets out two possible options to take forward, seeking approval for the direction of travel and a further report on the implementation following consultations and detailed business case preparation.
- 1.2 The council is committed to accelerating the Workstyles programme following the success of Phase 1 and good progress being made with Phase 2. The benefits delivered so far include improved customer access and service delivery, substantial financial savings, reductions to our carbon footprint and productivity savings. Intensive work has been carried out to understand the options and associated risks to accelerate the Workstyles programme. A lot more work is required on the preferred future options as they will produce a complex business case requiring big and complicated decisions with wide ranging implications for the organisation.
- 1.3 This initial report has been drawn up to make public the work carried out so far, for initial assumptions to be tested and to enable the debate to be widened. Feedback and challenge are welcomed as there could be other viable ideas that have not been considered. This report is complemented by a report in part two of the Agenda.

2. RECOMMENDATIONS:

That the Policy & Resources Committee

- 2.1 Note the options appraisals for accelerated workstyles and the two possible future options as set out in this report at Section 3
- 2.2 Grants delegated authority to the Strategic Director Place to carry out soft market

testing and further development of the detailed business case, design, initial consultations and preparatory works to test out for the preferred options

- 2.3 Instructs the Strategic Director Place to report back to Policy & Resources Committee on the outcome of the measures described in recommendation 2.2.

3. RELEVANT BACKGROUND INFORMATION

- 3.1 The Workstyles programme started in January 2010 following approval from Cabinet and implementation has been hugely successful through Phase 1. Phase 2 is underway and also making good progress. The key aims are to improve customer service, reduce the impact on the environment, save money and space by making the best use of the council's main administration accommodation and create opportunities for improved productivity and service delivery. The phased programme provides flexible work environments supported with flexible technology and appropriate policies so that the workforce have choices about working flexibly to achieve an improved customer experience, efficient use of council resources, better work/life balance in a sustainable environment.
- 3.2 The council plans to reduce its overall office accommodation by approximately 30% through lease surrenders where possible, disposing of offices which are not fit for purpose or surplus to requirements and investing in retained office space to enable consolidation and improved working conditions in support of our asset management principles and property objectives. The Workstyles programme will continue to create substantial revenue savings and capital receipts for the council over the next 5-10 years, whilst ensuring that we invest in our appropriate buildings, facilitating and contributing to change and modernising the way we work. The changes and efficiencies may be significantly enhanced if future Workstyles, Systems Thinking and Customer Access programmes were to be implemented concurrently.

Workstyles Phase 1

- 3.3 The first phase of Workstyles was successfully concluded in 2011 meeting the set deadlines, available budget and efficiencies. It has delivered new technology and sustainable and modern office environment for approximately 500 staff, reducing the office space by 30%, 35% workstation reduction, £300k revenue savings per annum, 32% reduction in carbon footprint (162 tonnes reduction from 2010 to 2012), projected non-cashable savings of £1.5m, 62% of staff are satisfied with the new environment they work in, 73% of staff are satisfied with their personal flexible working arrangements and 97% of customers of those responding said they were either satisfied or very satisfied with the service they received from the Customer Service Centre.
- 3.4 It has supported the services, particularly those that have gone through process re-engineering to make the work environment better fit for the service delivery models. This was the first successful integration of workstyles with Systems Thinking. This phase involved over 500 staff in Priory House, Bartholomew House, Hove Town Hall and Lavender Street Housing Office. It included the relinquishing of the lease on Priory House, the creation of a new Customer Service Centre on the ground floor of Bartholomew House and the refurbishment works to the first and fourth floors. Lavender Street Housing Office has also been workstyled co-locating housing with children's services staff and a new neighbourhood hub for co-located childrens, housing and library services has been delivered and workstyled in Whitehawk.

- 3.5 The Bartholomew House Customer Service Centre (CSC) has been open for over a year and the feedback received from customers and staff is most positive. This implementation has delivered the Customer Access face to face strategy. The atmosphere and ethos represent a complete sea change that has helped improve customer access and interaction, support the roll out of channel shift, better self service and deal with customers issues in a more conducive environment. The changes to the working environment on the first and fourth floors of Bartholomew House has helped to change the way staff work/interact, bringing teams together to and support the customer centre through fixed, flexible and mobile working choices. The learning points from Phase 1 have helped to inform Phase 2.

Workstyles Phase 2

- 3.6 The second phase of Workstyles approved at December Cabinet 2011 involves three main projects and sites: Bartholomew House (second and third floors) which would accommodate Regulatory Services and Adult Social Care teams. It will also create significant capacity to house the teams in scope of the next phase. The Learning & Development Centre and associated 'Patch Office' at Hodshrove Lane (known as 'The Moulsecoomb Hub') will bring together the vast majority of the Children's Services in line with their regulatory requirements. The ground floor of Hove Town Hall will include a second Customer Service Centre, integrating the Customer Access 'face to face' strategy and back-office that will accommodate some City Infrastructure and Housing Strategy teams. A separate office for the Sussex Police Authority will also be provided on the first floor of Hove Town Hall as the council continues to work closely and collaborate with other public sector organisations in the City. The Moulsecoomb Hub will be complete in the Autumn of 2012 followed by Hove Town Hall's new customer service centre and support offices in February 2013. Bartholomew House is scheduled to start in March 2013 with a completion date of late summer 2013. Overall Phase two will enable a further 700 staff to move into the new ways of working with new technology to improve service delivery.

Further phases – Accelerated and integrated workstyles

- 3.7 Accelerated and integrated Workstyles needs to be recognised as the transformation and modernisation of the council's business. Building on the success and the learning from the earlier work, we are committed to accelerating and integrating the implementation of Workstyles to better meet the needs of our customers, to provide our staff with the appropriate environment, tools and skills whilst embracing One Planet principles, reducing our carbon footprint and delivering much needed financial savings. We have considered numerous locations, buildings and design options short-listing four options in this report. After much consideration and analysis, we have ruled out the first two (option 1 and 2) options as they did not make sufficient business sense when all risks, costs and benefits are taken into account.

Options

- 3.8 All options need to bring the remainder of the Council into the scope in order to continue the modernisation of the organisation and include the balance of services and staff in Hove Town Hall, Brighton Town Hall, Kings House and Portslade Town Hall, together with the relinquishing of further leased buildings where services are currently located. This final phase will affect the remaining approximately 1250 office based staff, excluding those working in schools, day centres etc who would not be covered under this programme.

Property & Design and Finance have narrowed down the options available to four possibilities and undertaken a high level options appraisal (based on certain assumptions) and risk analysis on each.

In Summary the four options are;

3.8.1 Option 1

Assumes the disposal of Kings House and potentially Buckingham Road, the re-location of staff and services to Hove Town Hall, lease surrender on Denmark Villas and extensive building works to Hove Town Hall to convert main public areas to offices, roof extension to existing office area and general refurbishment to renovate the existing offices and upgrade the existing fabric ie replacement glazing and heating.

3.8.2 Option 2

Assumes the disposal of part of Kings House, the retention of the 1970s office area and conversion of the undercroft carpark to offices, the potential disposal of Buckingham Road, the lease surrender on Denmark Villas and refurbishment of part of Hove Town Hall to "Workstyle" the remaining offices in Hove Town Hall including renovating the existing fabric.

3.8.3 Option 3 (a and b)

Assumes the disposal of Kings House, two thirds of Hove Town Hall site and potentially Buckingham Road, the lease surrender of Denmark Villa, renovation of the remaining Hove Town Hall offices and upgrading of the external fabric and the a) a lease on a new office building or b) acquisition of a smaller purpose built office building

3.8.4 Option 4

Assumes the disposal of Kings House, sell or lease part of Hove Town Hall at ground floor facing Church Road and Great Hall for commercial or serviced offices, the potential disposal of Buckingham Road, lease surrender of Denmark Villas and building works to the remainder of Hove Town Hall to convert it to offices and upgrade the existing fabric.

3.8.5 Risk Summary

Cost estimates carried out particularly for building works and ICT implementation are very high level. These are the two largest elements of the overall programme which would have significant impact on the bottom line figure. A more thorough planning and estimation will be calculated following surveys of buildings and cost estimates for the buildings works once the detailed business case work starts. ICT solutions need to be detailed with more accurate cost estimations, these will be informed by the ICT strategy and approach to desktop delivery, depending on the option(s) to focus on.

Electronic Data and Record Management (EDRM) is essential to support Workstyles implementation. Its separate funding and delivery inline with Accelerated Workstyles timescales is necessary.

Likewise systems thinking programmes to services in scope are essential to support the implementation of Workstyles to drive out failure demand and duplication within services business processes

Market conditions are uncertain and poor which will impact on realising the best potential from capital receipts. This could delay the sale of buildings within the estimated timeframes and could substantially lengthen the payback period. The valuations and timings of capital receipts are subject to the sale of the named buildings within a reasonable timeframe.

There are planning risks around the change of use of Kings House and Hove Town Hall and the potential loss of employment space. For Kings House to be disposed of as a residential property, it will need to be marketed for a year as offices first to justify the change of use. The business case assumes that consent will be granted for this change. Planning changes for the extended office and commercial use of Hove Town Hall will also need to be tested and factored into the business case and timetable.

The size of the organisation has been estimated for the next 3-5 years based on current information. This could change significantly, depending on several factors such as budget pressures, central government directives on new initiatives or withdrawal of existing ones, pressures from third party organisations etc.

Under option 3, it might be perceived that the main administration function of the council is shifting from Hove to Brighton which maybe politically sensitive

Under option 3, there may not be a new modern suitable office (building X) available to rent when needed. Again in this option, if a separate purpose built or new office building is to be purchased, this would be subject to the timeline of a separate external programme, which might not fit into our schedule.

If Kings House/ Hove Town Hall and other associated sites remain vacant for an extended period of time, there could be significant security and maintenance costs.

Conclusions

- 3.9 All four options have associated risks and opportunities, however two of the four - Option 1 and 2 - have been ruled out as both options do not make good business sense. Option 1 produces minimal savings in proportion to the amount of work and required changes at Hove Town Hall. Option 1 and 2 both produce significant capital shortfalls that need to be funded through borrowing. Both rely heavily on the disposal of Kings House in part or as a whole. Initial market intelligence has revealed that developers would want to acquire the entire Kings House site for redevelopment. The fact that the old front part of the building is Listed adds further risks making Option 2 unviable. A separate option appraisals will be undertaken for Buckingham Road to determine the best future overall use of the building to the council and service users. This will be factored into the detailed business case for accelerated workstlyes.
- 3.10 The options have been narrowed down to two preferred options - Options 3 and 4. Both produce capital surpluses and significant revenue savings. They provide other advantages that support the regeneration of the City, additional financial benefits associated with new home bonuses, council tax, business rates and reductions to our carbon footprint. Option 3 is predicated on the requirement for extra services, staff and functions met through either the acquisition of a purpose built modern office or leased modern offices. Option 4 challenges the need for an extra building through extensive improvements to Hove Town Hall, better use of under-used space and conversion of part of the banqueting areas to offices. It suggests that part of the ground floor facing Church Road could be disposed of as retail with other uses for the

great hall associated with more retail/entertainment or mixed uses ie cinema or possible serviced offices. More work is needed on these options to test out the market, change of use and planning assumptions, consultations with staff, the business case, risks and the implementation timetable. All options produce significant productivity savings and enable further savings for services.

Technology

- 3.11 In order to bring the organisation's ICT infrastructure up to date and in parallel with the phasing of the building works and moves, flexible technology will continue to be rolled out for the teams in the scope of the accelerated phase. Similar to the phase one and two implementations, technology solutions will be rolled out for staff working flexibly. The specific solution may vary depending on the needs of the service, the teams or the individuals. Where appropriate and cost effective, paper records will be scanned and stored electronically for access from any location. This will not only enable staff to work from the most appropriate location for the type of activity they do for improved service delivery but also creates opportunities to streamline workflow, supporting a full 'Systems Thinking' approach to managing and processing customer requirements. It is also necessary to reduce storage space currently taken up by paper files in offices. The deployment of corporate electronic document storage (EDRM) will be led by ICT colleagues and will also require considerable process and workflow redesign to ensure its cost effective implementation. The telephony solution would also support flexible working by enabling staff to work from work at various locations with 'follow me' extensions or mobile devices.

Learning & Development

- 3.12 Workstyles brings huge changes to the way staff interact with customers, systems, the office environment and each other. Therefore adapting to new ways of working requires significant cultural change. One of the methods to respond to this need for change is through a learning & development (L&D) package. An L&D package has been developed under phase 1 and 2. This will be reviewed for the accelerated phase to ensure the organisation gets the best out of its resources through more suitable management techniques, improved use of technology and a positive attitude towards flexibility. Such change will support the objectives of the programme.

Timescales

- 3.13 Consultations for the Accelerated Phase will be undertaken with the teams affected and a Programme Board and working group set up with representations from Unions, ICT, HR and Property together with the senior customers of the programme consisting of service leads. A detailed business case and programme of building works, decants, technology deployment and associate activities will be produced for a future Committee Report for approval, however it is hoped the accelerated programme will be completed within 3 years from the date of approval of the detailed business case. The high level business case has assumed that it would take 3 years to plan, build, vacate, market and sell, the fourth year would see re-locations and the fifth year would provide the full effect of the revenue savings. Productivity savings would be factored in too and we would not expect to see the full year effect of these until year 7.

4.0 COMMUNITY ENGAGEMENT AND CONSULTATION

There will be informal consultation with staff at various levels. This would include the design of offices, collocation of teams, learning needs, specific needs of individuals.

The public will be consulted upon if there is a significant change to the way they interact with a particular part of the organisation/service and through the local authority planning process.

5. FINANCIAL & OTHER IMPLICATIONS:

- 5.1 This is a high level business case based on certain assumptions that need to be tested further. It is assumed that the project will be funded through a combination of capital receipts, contributions from the Asset Management Fund (AMF), dilapidation contributions and reserves to fund the cost of works. Table 1 sets out the estimated costs for the four options including building works, refurbishments and costs associated with acquiring new offices together with the ICT investment, dilapidations costs and the core project resources to enable delivery of the project. The table shows the surplus or deficit for each option. Any shortfalls will be met through borrowing with revenue savings associated with the scheme meeting the financing costs. Capital surpluses resulting from the disposal of vacated offices may be used to repay debt and contribute toward ongoing revenue savings. The project implementation is expected to be completed within a three year period which includes planning, consultation, marketing, asset disposal/acquisition and building/ICT works with all office moves completed by year four and the full year effect of revenue savings achieved by year five.

Table 1

Accelerated Workstyles	Option 1 £000	Option 2 £000	Option 3a £000	Option 3b £000	Option 4 £000
Capital works, refurbishments and dilapidations	12,560	9,260	5,980	12,560	8,860
ICT, Workstyles & project resourcing	3,370	3,230	3,360	3,360	3,370
TOTAL EXPENDITURE	15,930	12,490	9,340	15,920	12,230
FUNDING	13,330	10,250	18,080	18,080	13,330
Capital Surplus / (Shortfall)	(2,600)	(2,240)	8,740	2,160	1,100

All four options require works to Hove Town Hall to varying degrees whilst Option 2 includes works to the retained section of Kings House Costs. These works include conversion and refurbishment of offices and spaces and replacement to energy efficient glazing and heating plant, Option 3 requires the purchase and fit out of a new office building either purchased or leased, the location of which will require a separate options appraisal.

ICT and Workstyle investment includes the rollout of Citrix, data centre moves, cabling and new ICT equipment but does not include the cost of Electronic Documents & Records Management (EDRM) support.. Project resourcing includes the core project resourcing for Project Management, HR, ICT support, Communications, Change Management and service co-ordinators.

The capital receipts, less any disposal costs, will support the Workstyles project and the timing of the disposals of the properties will be crucial in identifying cashflow shortfalls for the project.

The Asset Management Fund is a £1.0m annual corporate capital fund used to support property improvements. This fund forms part of the council's Capital Strategy and is funded through capital receipts. Specific reserves have been set aside to assist with the cashflow funding of the Workstyles projects.

Each option will deliver revenue savings as a result of the vacation of the leased buildings and freehold properties. Additional revenue running costs will be required to varying degrees for each option in connection with the increased staff numbers in the remaining or new offices. The revenue implications of the project are detailed in Table 2 below and reflect a full year effect of costs and savings after the project has been completed. .

Table 2

Accelerated Workstyles	Option 1 £000	Option 2 £000	Option 3a £000	Option 3b £000	Option 4 £000
Accommodation & debt repayment savings	800	640	1,770	1,290	1,015
LESS					
Increase in running costs and financing costs for borrowing	(390)	(270)	(900)	(300)	(75)
Net Revenue Savings	410	370	870	990	940

Other significant efficiency benefits are expected to be realised through improved working environments, enhanced technology, changed working practices and improved management of activity and workflows that this investment will enable. Efficiencies will include productivity increases, reduced sickness, reduced staff turnover and these are estimated to be in the region of £2.6m pa based upon the accommodation changes and the numbers of staff affected when compared with similar investment elsewhere. Additional financing benefits associated with this project may arise from the development options associated with the sites that are disposed of. This will include the New Homes Bonus (for a 6-year period), new council tax generated, new business rates generated and CRC reductions. These are estimated to range between £0.36m and £0.66m pa. These additional financial benefits may help the council reduce costs and meet the challenging reductions in central government funding over the coming years.

Finance Officer Consulted: Rob Allen

Date: 17/09/2012

Legal Implications:

- 5.2 Policy & Resources Committee is the appropriate forum to consider and agree the recommendations to this report as (i) Cabinet authorised Phases 1 and 2 of the Workstyles programme and (ii) Policy & Resources is the member body with power to manage council owned land and buildings.

The corporate nature of the Workstyles programme and scale of potential savings and expenditure mean the programme has corporate policy and budgetary implications. For these reasons as well Policy & Resources Committee is the proper forum for this report.

Lawyer Consulted:

Oliver Dixon

Date: 17/09/12

Equalities Implications

- 5.3 A representative from the Equalities team will be involved right from the beginning of the project to proactively incorporate needs in the design and planning phases.

A generic Workstyles and Accommodation Equalities Impact Assessment was published in 2010 and this has been reviewed in August 2012. This document is the overarching EIA as services will be required to carry out their own EIAs or incorporate workstyles elements under their existing reviews, since the way they deliver their services will change as a result of workstyles and staff will be impacted one or the other way.

Building works to any premises will take into account the requirements of the Equalities Act 2010 and will address issues such as hearing loops, signage, wheelchair compliant reception desks, high frequency lighting, accessible toilets with baby changing facilities, ramped access, wide doors and automatic door openers.

Sustainability Implications:

- 5.4 One Planet principles will be embedded as far as practicably possible within the next phase of the programme. Workstyles creates an opportunity to reduce energy consumption in our office buildings, directly releasing ongoing savings from those disposed of, and also those that are retained and subsequently updated. Refurbishments incorporate the latest low energy lighting technology including sensors which automatically alter levels of lighting according to outside conditions. This would feature as a minimum 'Zero Carbon' requirement of future office refurbishments.

Waste is managed in a sustainable manner and surplus furniture from consolidation of accommodation is firstly offered to charitable organisations then secondly the materials are sent for recycling. Workstyles presents the opportunity to use electronic storage for data, rather than paper files.

The introduction of flexible working (and associated technology) presents an opportunity to reduce work-related travel and commuting. Having the technological ability to work from various locations, staff will be able to manage their day more efficiently such as completing their working day at home rather than having to go back to their main base, would reduce the travel needs. This approach relies heavily on cultural shift to flexible working and management techniques and HR policies to support it. Relevant sustainable travel infrastructure improvements will be considered in retained buildings to ensure all staff have the opportunity to travel sustainably.

The programme aims to reduce office space by 30% and workstation numbers by approximately 35% by increasing the occupancy of workstations. This means fewer

desks than staff numbers (7 desks to every 10 FTE). Therefore the carbon footprint of offices for the same number of people would reduce significantly.

Crime & Disorder Implications:

- 5.5 Risks will be associated with vacant sites and buildings that will need to be secured and maintained appropriately.

Risk and Opportunity Management Implications:

- 5.6 There will be project risk logs which will be monitored by the project managers. This will be reviewed and managed monthly at the Project Boards. The Programme board will be the escalation route for the projects as well as managing the strategic risks to the overall programme.

Public Health Implications:

- 5.7 Noise and dust caused by the building works will be risk assessed and managed through appropriate risk assessments and adjustments agreed locally with service teams.

Corporate / Citywide Implications:

- 5.8 There will be significant impact as the services within the scope of the programme are the corporate core functions of the organisations and the remaining service functions such as Finance, HR, Legal, Property & Design, Policy and Performance, Communications etc and service Commissioning functions, ICT plus Housing, Adult Social Care, Planning & Protection and City Infrastructure. The programme proposes a significant cultural shift to the way the workforce operates and the offices and facilities used. Teams will need to work much more collaboratively, sharing space, using flexible technology and having access to information remotely. Home-working will be encouraged which would reduce the office needs and also improve work/life balance of staff making the council a more desirable employer in the City.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 A large amount of work has been done to help us understand the options open to the council to accelerate the workstyles programme ranging from do nothing to the shortlisted four options outlined in the report. Options 1 and 2 have been ruled out as they do not make good business sense. Options 3 and 4 present the council with future possibilities that need to be tested out properly with staff, the market, planning assumptions, financial assumptions, analysis and efficiencies. We also need to understand the potential advantages of a more integrated approach.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 The Council is committed to continuing the successful Workstyles programme modernising the council's business delivering many benefits that include customer improvements, financial savings and incentives for further financial savings through improved service delivery, large productivity savings and a significant reduction to the council's carbon footprint. More work needs to be

done on the preferred future options but it is important that we are open and transparent about the work done so far so that our understanding can inform our choices on the best way forward. We welcome feedback and challenge to the recommendations and are open minded to any other ideas for consideration.

SUPPORTING DOCUMENTATION

Appendices:

None

Documents in Members' Rooms

None

Background Documents

None

POLICY & RESOURCES COMMITTEE

11 October 2012

Agenda Item 61

Brighton & Hove City Council

Subject:	Corporate Procurement of Energy – Non Half Hourly Electricity (sub 100kW) Contract Commencing April 2013		
Date of Meeting:	11th October 2012		
Report of:	Strategic Director – Place		
Contact Officer:	Name:	Angela Dymott	Tel: 29-1450
		angela.dymott@brighton-hove.gov.uk	
	Name:	Andy Batchelor	Tel: 29-1441
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Wards affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT

- 1.1 This report explains the options available for the re-procurement of the Council's non half hourly (sub 100kW) electricity supply. The portfolio comprises the smaller council sites within the City including the majority of schools, a range of administration buildings, libraries, sports pavilions and some housing sites.
- 1.2 The Council currently procures its non half hourly (sub 100kW) electricity supply direct from a utility company. However, the energy market remains volatile and to mitigate this a more flexible method of procurement is proposed through a Central Purchasing Body similar to that successfully employed for the procurement of the Council's gas and half hourly (over 100kW) electricity supplies and as described in Section 3.0 below.
- 1.3 For many years the Council has specified that its electricity supply must be produced from 100% renewable sources. However this requirement alone does not guarantee additionality in the market and some suppliers simply sell a proportion of the renewable energy they are legally obliged to produce in any event. A further alternative is a 'Green Certified' supply where suppliers must demonstrate that the activity associated with their green tariff is in addition to what they are already legally required to do and as described in Section 4.0 below. Research has shown that Sutton and Middlesbrough, both accredited through One Planet Living, do not purchase "Green Certified" supplies and that Sutton are procuring a similar supply to the council through LASER, a Central Purchasing Body (CPB).

2. RECOMMENDATIONS

That Policy & Resources Committee –

- 2.1 Authorises the Head of Property and Design to approve the procurement and award of a contract for a maximum period of four years for the Council's non half hourly (sub 100kW) electricity supply from 100% renewable sources through a flexible framework agreement offered by a Central Purchasing Body (CPB) following a Request for Information (RFI) evaluation process.
- 2.2 Notes the options available for the purchase of electricity on 'Standard', '100% Renewable' or 'Green Certified' electricity tariffs and approves the continuing minimum requirement for a '100% Renewable' tariff.
- 2.3 Authorises the Head of Property and Design to procure a 'Green Certified' supply of non half hourly (sub 100kW) electricity only if such a supply is available through the successfully evaluated CPB and at no additional cost to the 100% Renewable tariff.
- 2.4 Agrees a waiver of Contract Standing Order 12.6 to enable the contract to be entered into but not as a deed, provided that it is in a form agreed by the Head of Law.

3. **RELEVANT BACKGROUND INFORMATION: NON ½ HOURLY (SUB 100kW) ELECTRICITY PROCUREMENT OPTIONS**

- 3.1 The Council has three main utility contracts - one for gas and two for electricity that cover the bulk of the Council's property portfolio. The electricity provision is split into two contract groups, the half hourly (over 100kW) contract relating to large sites and the non half hourly (sub 100kW) contract relating to smaller sites. Table 1 below identifies the duration and approximate value of each contract.

Table 1

Utility Contract	Contract Period	Approx. Value	Supplier	Sites
Gas	01.10.2012 to 30.09.2016	£ 2.6m per annum	CPB: Laser Supplier: Total Gas & Power Ltd	All sites requiring gas including schools and housing
Electricity (over 100kW)	01.10.2012 to 30.09.2016	£1.0m per annum	CPB: Laser Supplier: NPower	Approximately 22 larger sites including Kings House, Brighton & Hove Town Halls & some secondary schools
Electricity (sub 100kW)	01.04.2010 to 31.03.2013	£2.0m per annum	Supplier: Scottish & Southern	Approximately 1400 smaller sites

- 3.2 Historically the Council has procured all of its gas and electricity supplies direct from the utility companies. However in 2010 the Council moved to procure its gas and half hourly (above 100kW) supplies through a Central Purchasing Body (CPB). This has reduced the risk to the Council of price fluctuations within the utility market through increased flexibility in purchasing as well as being part of a large bulk buying consortium.

A CPB can also provide added service benefits compared with a utility company, including a bill validation service, as part of the contract.

- 3.3 This report relates to the non half hourly (sub 100kW) electricity supply currently with the supplier Scottish and Southern that ends on 31st March 2013. To mitigate the risk of increasing electricity prices it is proposed that the Council switches the procurement of this supply to a CPB that is able to offer a flexible purchasing process allowing electricity to be bought over a period of time and in advance. The benefits of this approach are that any drops in market prices can be taken advantage of, thereby making further savings or reducing the impact of price rises and keeping overall prices as low as possible within the current volatile market. The current CPB for our half hourly electricity and gas supply contracts have estimated that such flexible terms have achieved overall savings of 7% over a fixed contract over the life of its last framework.
- 3.4 The current contract direct with a utility company operates as a fixed price procurement where the market is approached for a price on a specific day. As the market price will vary up or down on a daily basis the Council is protected from increases but conversely cannot take advantage of any price decreases over the term.
- 3.5 However a flexible contract arrangement through a CPB means that a traditional tendering exercise cannot be undertaken as the unit prices remain unknown until all of the electricity has been purchased ready for the start of the new contract in April 2013. Property & Design, together with Corporate Procurement, therefore propose to undertake a 'Request for Information' (RFI) process in order to obtain full information about the available CPB framework agreements currently in place. These will then be evaluated against various quality criteria in order for the evaluation team to recommend appointment of a single CPB. The proposed RFI document is included in **Appendix A** and details the criteria to be assessed.
- 3.6 In order to maximise the value of using a CPB, electricity must be purchased in advance of the start of the flexible supply contract to gain the best possible prices. This report therefore seeks authorisation from the Head of Property & Design to undertake the RFI process and to enter into the supply contract for a maximum period of four years to avoid delays.

4. RELEVANT BACKGROUND INFORMATION: STANDARD, 100% RENEWABLE & GREEN CERTIFIED ELECTRICITY TARIFFS

- 4.1 Various options are now available for commercial electricity tariffs to support or encourage renewable energy generation including '100% Renewable' and 'Green Certified' supplies which are described below to compare with a 'Standard' tariff.
- 4.2 Standard Tariff
A supplier's standard tariff is normally less expensive per unit of electricity than a '100% Renewable' or 'Green Certified' supply but, for the reasons noted below, may not offer any less support to encouraging new sources of green energy than the '100% Renewable' option.

4.3 100% Renewable Tariff

For many years the Council has specified a requirement for “100% Renewable” electricity when procuring its energy supply contracts. However research has shown that this description can be misleading in terms of our aim in supporting an increased proportion of the UK’s electricity generation capacity through renewable sources.

Each UK supplier of electricity is obliged by law to provide a minimum proportion from renewable sources. The proportion is increased year on year to meet the Government’s target of 15% overall by 2020. Each supplier demonstrates that they have met this commitment through Renewable Obligation Certificates (ROCs) which are issued for every megawatt hour of renewable energy produced by their electricity generators.

ROCs are bought on the open market by energy suppliers and the equivalent volume of electricity is then available for them to sell to customers on a ‘100% Renewable’ tariff. However this tariff by itself does not support any additional renewable energy generation to the UK as most suppliers are simply meeting their minimum legal obligation. Further, if the supplier fails to buy sufficient ROCs to meet their obligation they are effectively ‘fined’ by paying a ‘buy-out fee’ to OFGEM. Due to market conditions suppliers can decide that it is cheaper to opt to pay the buy-out fee than to purchase additional ROCs. However, the fees generated are redistributed to companies who do comply with their renewables obligation.

100% renewable tariffs usually attract a premium to the ‘Standard’ unit cost although for the reasons noted above there is a concern that this doesn’t encourage or support any additionality in the renewables market.

4.4 Green Certified Tariffs

These are certified by the Office of the Gas & Electricity Markets (OFGEM) and include a requirement that the supplier demonstrates that their activity associated with the green tariff is in addition to what they already have to do to meet their legal obligations and the Government’s targets. This is the only form of tariff guaranteed to provide additional activity in the renewables supply market. The activity may involve paying into a fund to support investment in renewable technologies, other environmental projects or by carbon off-setting schemes. In a very few cases this may also involve the ‘retirement’ of ROCs which creates further additionality, i.e. the proportion of renewable electricity supplied under tariffs is in excess required across the board by law.

However, due to these extra requirements a ‘Green Certified’ tariff is likely to further increase the unit cost of electricity above the premium the Council already pays for a ‘100% Renewable’ supply.

In addition a ‘Green Certified’ supply may not be available in sufficient volume to fulfil the Council’s energy requirements from one supplier and may not be offered by any of the CPBs through the proposed procurement route discussed in Section 3.0 above.

4.5 BioRegional One Planet Tariff Requirements

We have approached BioRegional for their advice on tariffs and the possible effect on our aspirations for accreditation as a One Planet Council.

BioRegional currently require our electricity to be certified by 'Renewable Energy Guarantees of Origin' or REGOs. Our current half hourly electricity supplier, NPower, for example declare that 9% of their overall supply is from renewable sources and that this is backed up by REGOs. As our existing '100% Renewable' half hourly supply contract with NPower ensures that our electricity is apportioned to their 9% renewable supply, strictly speaking we can remain compliant with BioRegional's minimum standards if we maintain a similar requirement in the new non half hourly contract.

4.6 What Other Authorities Are Doing

Two other authorities are currently accredited under BioRegional's One Planet Living scheme - the London Borough of Sutton & Middlesbrough Council. Sutton have already committed to the same supply as we are proposing in this report, i.e. NPower's 100% renewable tariff which they have also procured through LASER. Middlesbrough currently purchase their electricity supply through NPower's Combined Heat & Power (CHP) tariff. Neither of these supplies are 'Green Certified'.

5. **CONSULTATION**

- 5.1 As the new contract will directly affect leasehold housing tenants, the Energy & Water Team have been liaising with Housing who are leading on the statutory consultation notifications required and sufficient time will be allowed in the procurement programme to complete this process.
- 5.2 When undertaking the Request for Information (RFI) procurement exercise each of the CPBs will be approached for information.
- 5.3 Other key council units have been consulted in the preparation of this report including colleagues from the finance, procurement, legal and sustainability teams.

6. **FINANCIAL & OTHER IMPLICATIONS**

Financial Implications:

- 6.1 The Council's annual cost of non half hourly electricity (sub 100kW) is approximately £2.0M per annum and has been in a 3-year fixed price contract which ends in March 2013. The estimated price increase from that date could be as high as 27% for the sub 100kW sites. Although Central Purchasing Bodies (CPB) would be unable to provide an indication of price structures it is evident that the ability of CPB's to purchase in bulk and the increased flexibility on purchasing reduces the risk of future fluctuations in energy price rises being passed through to the Council. As an indication of efficiencies the current CPB for half hourly electricity and gas contracts with the Council estimates savings of 7% to that of a fixed contract over the life of the last framework.

The Medium Term Financial Strategy includes pressure funding to cover increased energy costs above standard inflation for the general fund. Schools will meet energy costs through their devolved budgets. The Housing Revenue Account (HRA) recharges part of the energy costs through leaseholders and any increases will be accounted for within the long term business plan.

Finance Officer Consulted: Rob Allen

Date: 28/8/2012

Legal Implications:

- 6.2 The authority of Policy & Resources Committee is required for matters with corporate budgetary implications, such as the procurement of the Council's non half hourly (sub 100kW) electricity supply for which the costs are likely to exceed £500,000. Accordingly the Committee is entitled to agree the recommendations at section 2 above.

Further, the Council's contract standing orders require that authority to enter into a contract valued at £500,000 or more be obtained from the relevant committee. The proposal to provide the Council's non half hourly (sub 100kW) electricity supply across a range of council property makes Policy & Resources the appropriate committee in that regard too.

The procurement of a contract through a flexible framework agreement offered by a CPB must comply with all relevant European and UK public procurement legislation as well as the council's CSOs. Legal officers will be advising on this aspect once the committee's authority to proceed is given.

In accordance with Contract Standing Order (CSO) 12.6, it would be usual to seal the contract recommended in section 2 as a deed. However, in the past, CPBs and energy suppliers have been unwilling to execute contracts as deeds. The legal risk of not executing these agreements as deeds (with a 12 year limitation period) is considered acceptable as the energy will be consumed, charged and paid for in such a short space of time. Therefore, should Policy & Resources Committee decide to approve the recommendation set out in section 2, and the chosen CPB and/or energy supplier will not agree to sign the contract as a deed, the requirement under CSO 12.6 to give contracts with an estimated total value over £75,000 under the Common Seal of the Council needs to be waived.

Lawyer Consulted: Oliver Dixon

Date: 31 August 2012

Equalities Implications:

- 6.3 There are no equalities implications.

Sustainability Implications:

- 6.4 Sustainability implications are discussed in Section 4.0 in the main body of the report.

Crime & Disorder Implications:

- 6.5 There are no crime & disorder implications.

Risk and Opportunity Management Implications:

- 6.6 If the Council does not pursue the recommended procurement route there is a risk that value for money from our energy supply contract will not be maximised.

Public Health Implications:

- 6.7 There are no public health implications.

Corporate / Citywide Implications:

- 6.8 The Council will seek the best possible supplier to ensure that the contract represents value for money.

7. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 7.1 Section 3.0 of this report describes the alternative option of procuring electricity direct with a utility company. However the risk of market volatility is reduced by opting for procurement through a Central Purchasing Body which is also considered to represent best value for money due to economies of scale and the CPB's purchasing power.
- 7.2 Section 4.0 describes the options for procuring electricity supplies through an alternative 'Standard' or 'Green Certified' tariff. A 'Standard' tariff does not support any 'renewable' activity in the market place. A 'Green Certified' tariff will offer additional renewable activities which may include payment into a green fund to support additional renewable generation or carbon off-setting (depending on the supplier) however the availability of such a supply will often result in a unit price premium and supply through the preferred CPB procurement route is limited and therefore may not be available.

8. REASONS FOR REPORT RECOMMENDATIONS

- 8.1 This report seeks approval to undertake a Request for Information (RFI) process with Central Purchasing Bodies for the Council's non half hourly (sub 100kW) electricity supply contract that ends on the 31st March 2013. The report outlines alternative procurement and framework options, including information on renewable and green tariffs, and seeks delegated powers to enable expedient contract placement in order to maximise value for money within the volatile energy market.

SUPPORTING DOCUMENTATION

Appendices:

Appendix A:
Request for Information (RFI) Questionnaire

Documents in Members' Rooms:

None

Background Documents:

None

Request for Information (RFI) Document

Non Half Hourly (Sub 100kW) Electricity Supply Contract

August 2012



**Brighton & Hove
City Council**

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1. Introduction

- 1.1** The merger of Brighton and Hove Borough Councils, together with a number of functions previously run by East Sussex County Council within the two Borough's areas, resulted in the formation of Brighton & Hove Council in April 1997. It was granted City status in 2001, to become Brighton & Hove City Council ('the Council').

The Council is a 'unitary authority', which means that it is a single tier authority responsible for all local governance functions within the area. This includes functions such as social services, libraries, waste disposal and collection, highways, education, planning, licensing and much more.

Overseeing the running of these services and taking the lead in creating a vision for the future of Brighton & Hove is the Leader of the Council and Administration. The Leader is elected by the full Council and is the convenor of the Green Group which currently forms the Administration, and whose Members hold the 'Chairs' of the various policy committees, having also been appointed by the full Council, that have responsibility for designated areas.

1.2 The Council's Corporate Priorities

The Council's overall corporate priorities are:

- Tackling inequality
- Creating a more sustainable City
- Engaging people who live and work in the city
- A responsible and empowering employer
- A Council the city deserves

These priorities centre on sustainability and community involvement to make a real and lasting difference to local people's quality of life.

1.3 Locations

The Council's main administrative buildings are King's House and Hove Town Hall in Hove, and Brighton Town Hall and Bartholomew House in central Brighton. There are also various satellite buildings located within the city boundaries.

1.4 Number of Employees

The Council currently employs around 12,000 staff.

2. Objective

The council wishes to procure its non Half Hourly (sub 100kW) electricity supply requirements through a national framework.

In order for the council to assess which company best meets its needs when procuring utilities, as well as confirming the most suitable framework, we have set out a number of questions within this Request for Information (RFI).

3. Service Overview

The selected company from the tender process will need to provide electricity for the non half hourly (sub 100kW) supply network. The company will also be expected to provide regular feedback on the state of the market, as well as provide sufficient notification of any price changes at the end of each purchasing year, if applicable.

The Council's current preferred procurement option for utility supplies is a flexible, purchase in advance framework, which in turn provides a static price for the year forward.

4. Confidentiality

All information provided by the Council in relation to this project should be treated as "commercial in confidence" by recipients.

Organisations shall use this Request for Information (RFI) and any other information furnished to them under this RFI solely for the purposes of responding to this RFI. All such documents and information organisations receive shall remain the property of the Council, shall be kept confidential and shall be returned to the Council on request. Reproduction of any part of this RFI is authorised only for the preparation of the response. Tenderers shall ensure that all such copies are destroyed when no longer required in connection with this RFI.

Organisations shall not issue any form of publicity or advertisement regarding this process without the prior written consent of the Council.

Tenderers shall not transfer, assign or distribute this RFI to any other company or person without the written permission from the Council's Corporate Procurement Department. A failure to gain the required authority will in such circumstances prevent the organisation being considered in this process.

5. Response Information

- 5.1** Responses to this request for information should be returned to the person indicated below by no later than the time and date stated in the invitation to submit.
- 5.2** Responses can be returned via e-mail or hardcopy and should be marked 'Non Half Hourly (sub 100kW) Electricity Supply - Request for Information'.
- 5.3** Any question relating to this process or the requirements should be made via writing to the person indicated below

5.4 Council Point of Contact

Name:	Claire Downey
Job Title:	Procurement Category Manager
Address:	Kings House, Grand Avenue, Hove BN3 2LS
Telephone number:	01273 290795
Email:	claire.downey@brighton-hove.gov.uk

5.5 Freedom of information

In accordance with the obligations and duties placed upon public authorities by the Freedom of Information Act 2000 (the 'FoIA'), all information submitted to the Council may be disclosed in response to a request made pursuant to the FoIA.

In respect of any information submitted by a Tenderer that it considers to be commercially sensitive the Tenderer should set out the following information in an appendix with the completed tender response:

1. Clearly identify such information as commercially sensitive,
2. Explain the potential implications of disclosure of such information and
3. Provide an estimate of the period of time during which the Tenderer believes that such information will remain commercially sensitive.

Where a Tenderer identifies Information as commercially sensitive, the Council will endeavour to maintain confidentially. Tenderers should note, however, that, even where information is identified as commercially sensitive, the Council might be required to disclosed such information in accordance with the FoIA. Accordingly the Council cannot guarantee that any information marked 'commercially sensitive' will not be disclosed.

Schedule 1 – RFI Response

Main Focus

- Q1 Are you able to offer a “100% Renewable” electricity supply under your frameworks? If so please provide full details including confirmation of how this is certified, e.g. by REGOs, ROCs, etc.. and the average additional cost per kWh unit compared with the standard tariff.
- Q2 Are you able to offer an electrical supply accredited under the “Green Certification Scheme”? If so please provide full details and the average additional cost per kWh unit compared with the standard tariff.
- Q3 Please provide details of the supply company under your framework.
- Q4 Is the client able to specify the length of contract it wishes to enter, or is the client locked in to the framework for a set period of time?
- Q5 Please outline your main sector focus e.g. Central Civil Government, Local Authorities, Higher Education etc.
- Q6 Please indicate the number of clients that access your energy frameworks.
- Q7 Please indicate the total value of the contracts entered into on behalf of your clients.

Services Provided

- Q8 Do your frameworks offer Flexible purchasing? If so, please provide full details.
- Q9 Do your frameworks offer Purchase on Demand and/or Purchase in Advance?
- Q10 Do your frameworks offer Trigger points? Please provide full details.
- Q11 Do your frameworks require Buying and selling input? Please provide full details.
- Q12 Do your frameworks include Take or Pay? Please provide full details.

Additional Support

- Q13 Please provide details of the market intelligence reporting available as part of the framework indicating what is reported on and how often and in what format it is supplied. Additionally please provide example reports.
- Q14 Please provide details of your account management function indicating the resources available, whether they are dedicated to a particular client and if so the likely number of clients managed by one account manager.

- Q15 Please provide details of any CRC Allowance trading / purchasing / selling that is offered by your organisation

Additional Services

- Q16 Is a bill validation process offered and if so what is the cost of the bill validation process per meter for (a) an AMR meter and (b) a non AMR meter.
- Q17 What criteria do you use as part of the bill validation process and what is the turnaround time per bill
- Q18 Are you able to provide a bureau service and if so what energy management options can you offer as part of a bureau service?
- Q19 If Bill Validation and Bureau services are not desired, do they still form part of the main service and cannot therefore be opted out from?
- Q20 If it is requirement of your framework that AMRs are installed, would there be an issue if the council specified which data collector it wanted to use in order to support its AMR programme?
- Q21 Please provide details of how you work in partnership with your clients and how this can offer further value for money.
- Q22 Please provide details of any additional services which may be relevant.

Innovation & Value for money

- Q22 Please provide details of any innovation your organisation offers in relation to the frameworks.
- Q23 Please outline the approach to continuous improvement relating to these contracts.
- Q24 Please outline how value for money will be achieved giving savings figures highlighting any assumptions made.

Signed	
Name	
Position	
For and on behalf of	
Date	

POLICY AND RESOURCES COMMITTEE

11 October 2012

Agenda Item 62

Brighton & Hove City Council

Subject: Community Rights under the Localism Act 2011

Date of Meeting: 11th October 2012

Report of: Interim Lead Chief Executive's Services

Contact Officer: Name: Elizabeth Culbert Tel: 29-1515

Oliver Dixon

E-mail: elizabeth.culbert@brighton-hove.gov.uk

oliver.dixon@brighton-hove.gov.uk

1. SUMMARY AND POLICY CONTEXT:

- 1.1 The Localism Act 2011 introduced a number of new rights which are intended to empower communities. The Community Right to Challenge is now in force and gives the opportunity to communities to express an interest in running council services. The Community Right to Bid is expected to come into force this autumn and will give the local community the opportunity to nominate public and private land to be part of a register of "assets of community value" held by the local authority. If and when an asset on the register is subsequently put up for sale, the community is given a specific opportunity to bid for it.
- 1.2 This report explains how the new rights work and proposes a system for administration of the new rights by the Council.

2. RECOMMENDATIONS: That Policy and Resources Committee:

- 2.1 Notes the introduction of the Community Right to Challenge and the Community Right to Bid and the new rights they afford to local communities;
- 2.2 Approves a window of opportunity for expressions of interest under the Community Right to Challenge as set out at paragraph 3.13 of the report;
- 2.3 Approves the proposed procedure for administering an expression of interest under the Community Right to Challenge as set out in Appendix 1, including delegation to the relevant Strategic Director or Director the assessment of timescales for determining expressions of interest, within a minimum and maximum time period of 6 to 26 weeks;
- 2.3 Grants delegated authority to the Head of Property and Design and to the Head of Law to take all steps necessary to comply with the statutory obligations placed on the Council in relation to the Community Right to Bid, including authority to determine appeals and claims for compensation;
- 2.4 Instructs officers to publicise details of the Community Right to Challenge and the Community Right to Bid on the Council's website, and in Town Halls and libraries, including how to submit expressions of interests and nominations.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF EVENTS:

THE COMMUNITY RIGHT TO CHALLENGE

- 3.1 The Community Right to Challenge under the Localism Act 2011(the Act) came into force on 27th June 2012. Under this new right, local authorities must consider expressions of interest by “relevant bodies” in providing council services. Where an expression of interest is accepted, the Act requires councils to carry out a procurement exercise for the service.

Expressing an interest –‘relevant bodies’

- 3.2 The Act allows expressions of interest from:-
- voluntary and community bodies;
 - organisations set up for solely charitable purposes;
 - parish councils; and
 - two or more employees of the council.
- 3.3 The Statutory Guidance also states that relevant bodies may submit an expression of interest in partnership with other relevant or non-relevant bodies – for example, private firms – and states that this sort of cooperation may strengthen a relevant body’s case in terms of demonstrating it is capable of delivering the service.

Expressing an interest – ‘relevant services’

- 3.4 The Right to Challenge applies to any **service** provided by – or on behalf of – a local authority in the exercise of its functions, unless specifically excluded by the Regulations.
- 3.5 The Right to Challenge does not apply to council **functions**, which remain the responsibility of the authority. For example, the Right to Challenge would not apply to decisions about which services to provide, where they are located or funding. These are decisions for the authority about the exercise of its functions..
- 3.6 The Right to Challenge will also apply to shared, jointly commissioned or jointly provided services with other local authorities.
- 3.7 Under the Regulations a number of health and children’s services are excluded from the Right to Challenge, either permanently, or in most cases, until April 2014. Services excluded until April 2014 are those currently commissioned jointly or under a partnership agreement between a local authority and an NHS body and any services commissioned by an NHS body on behalf of a local authority. Children’s centre services are also excluded until April 2014.
- 3.8 Services that relate to named individuals with complex needs, and services managed through direct payments, are permanently excluded.

Requirements for the submission of expression of interest

- 3.9 Information that is required in the expression of interest is:-

- Information about the financial resources of all involved;
- Evidence that the organisation will be capable of providing the relevant service by the time of any procurement exercise
- Information about the outcomes to be achieved, including how these will promote or improve the social, economic or environmental well-being of the area, and meet the needs of service users
- In the case of employees of the authority, details of how other employees will be engaged and affected.

Grounds for rejection of an expression of interest

- 3.10 An expression of interest may be rejected only on grounds set out in the Regulations. The grounds for refusal are set out in **Appendix One**.
- 3.11 The Council will need to show that it has given proper consideration to an expression of interest and that it has considered whether the organisation making the submission should be asked to provide more information before rejecting a submission where information is lacking.

A window of opportunity for expressions of interest

- 3.12 The Council has a choice as to whether it wishes to specify periods during which expressions of interest can be submitted (for example, having regard to commissioning and budget cycles). The alternative to specifying periods during which expressions of interest can be made is to receive submissions at any time.
- 3.13 It is proposed that the Council sets a window of opportunity of April 1st to June 30th for expressions of interest, commencing on 1st April 2013. In relation to services currently delivered by another organisation through a contract with the Council, it is proposed that the Council will receive expressions of interest during the period of 3 months starting 15 months and ending 12 months before the contract expiry date (based on the initial term of the contract). For example, if a contract expires on 31.12.14 – expressions of interest would be received between 1.10.13 and 31.12.13. This approach would provide certainty and clarity both for potential bidders and the Council.

Procurement exercise

- 3.14 It is important to be clear that the acceptance of an expression of interest simply initiates a procurement exercise. There is no advantage or preferential treatment afforded to the bidders who have used the Community Right to Challenge and no guarantee they will be awarded the contract.
- 3.15 Once an authority accepts an expression of interest for a relevant service it must carry out a procurement exercise. The procurement exercise must be appropriate having regard to the value and nature of the contract that may be awarded. Councils will need to comply with normal public procurement law requirements. The Guidance requires authorities to consider both Best Value and social value considerations, in accordance with the most recent Best Value Guidance and the Public Services (Social Value) Act 2012.

Administration of the Community Right to Challenge

- 3.16 A flow chart setting out the proposed process for dealing with an expression of interest is attached at **Appendix Two**. It is proposed that information on the Community Right to Challenge is made available on the Council's website and that the initial point of contact is the Procurement Team, who will then identify the service and refer the request to the relevant Strategic Director or Director. The Strategic Director or Director would consider the relevant elements of the bid with legal and procurement support and then prepare a report for consideration by Policy and Resources Committee. The report would need to incorporate legal, procurement and financial advice, and seek a decision from Members on the acceptance or rejection of the expression of interest.

COMMUNITY RIGHT TO BID

- 3.17 The Government is concerned about the loss to communities of local facilities such as shops, pubs, libraries and open spaces which have been closing or sold and developed for private, non-community use. The aim of the Community Right to Bid ('CRB') is to help to reverse this trend, enabling communities to keep local facilities open as buildings or land which further the social wellbeing of those who live or work there.
- 3.18 CRB gives communities a right to identify a building or other land that they believe to be of importance to their community's social well-being. The aim is that, if the asset comes up for sale, then they will be given a fair chance to make a bid to buy it on the open market. If the nominated asset meets the definition of an asset of community value, the local authority will list it. The owner will have a right to an internal review by the council, and a right of appeal to an independent tribunal against the result of the internal review.
- 3.19 Nothing further will happen unless and until the owner decides to dispose of the asset, either through a freehold sale, or the grant or assignment of a lease, granted for at least twenty-five years.
- 3.20 Certain types of disposal will be exempted from the scheme, such as disposals made in connection with a divorce settlement between spouses or civil partners; or a disposal made by a mortgagee exercising its power of sale. Unless an exemption applies, the owner will only be able to dispose of the asset after a specified window has expired. The first part of this window is an interim period, which will allow community interest groups to express a written intention to bid. If none do so in this period, the owner is free to sell their asset.
- 3.21 If a community interest group does express an intention to bid during this interim period, then the full window will operate. After that, the owner is again free to sell to whomever they choose, and no further window can be triggered for a protected period.
- 3.22 It is equally important to note what CRB does **not** provide for:-
- CRB does **not** restrict in any way who the owner of a listed asset can sell his property to, or at what price; nor does it confer a right of first refusal to community interest groups.

- CRB does not place any restriction on what an owner can do with their property, once listed, if it remains in their ownership. This is because it is planning policy that determines permitted uses for particular sites. However the fact that the site is listed may affect planning decisions – it is open to the Local Planning Authority to decide that listing as an asset of community value is a material consideration if an application for change of use is submitted, considering all the circumstances of the case.

3.23 A building or other land can be nominated as an ‘asset of community value’ if the current use of the building or land **‘further the social wellbeing or social interests of the local community’**; or there was a time in the recent past when its use matched that criterion and it is realistic to think that there is a time in the next five years when the criterion will be satisfied again. In this context, “social interests” includes each of the following:-

- Cultural interests
- Recreational interests
- Sporting interests

3.23 Certain types of building and land are deemed **not** to be an asset of community value, for example residential property and land used by “statutory undertakers” for transport and utility purposes.

3.24 A property can only be listed as an asset of community value in response to a “community nomination”, which the Localism Act defines as one made by:

- (i) a parish council in respect of land in the parish, or
- (ii) a voluntary or community body with a local connection. This expression is further defined in regulations but, in broad terms, means a social enterprise (whether incorporated or not) or charity.

3.25 A local authority, other than a parish council, may not itself make a nomination. An owner will have a right to an internal review of a listing decision by the council. In addition, the owner will have a right of appeal to an independent tribunal, against the outcome of the review.

3.26 All owners, other than public authorities, will be entitled to claim compensation for loss or expense incurred as a result of listing and complying with any of the procedures required by the scheme. The council will be responsible for assessing such claims and, if the relevant criteria are met, paying the appropriate amount of compensation.

3.27 Based on the Scottish Right to Bid Scheme introduced in 2003, the Government has estimated that a local authority in England could expect to list 2 or 3 properties each year as assets of community value. For every successful nomination, there could be an equal number of unsuccessful nominations following the detailed assessment described above.

3.28 Government further estimates that from the list held by a local authority, approximately one property would come up for sale every 2 to 3 years, triggering the 6-month ‘moratorium’ period in which a community group could enter a bid to buy it.

- 3.29 Other than publishing the list of successful nominations, there is no statutory requirement on the council to promote the scheme. At national level, an organisation called 'Locality', a UK network of community enterprises, is publicising CRB on the 'My Community Rights' section of its website.
- 3.30 Locality, in partnership with the Social Investment Business and the Local Government Association will run the CRB service. In particular, Locality will assist community organisations to access the Community Ownership of Assets Programme which is £19m fund the Government has designated to support communities at each stage of the process from forming a group to preparing and submitting a bid.
- 3.31 Given the availability of support centrally, it is recommended that the council focuses purely on legal compliance by administering the scheme in response to community nominations and, once a nomination is successful, publishing the statutory list of the assets(s) concerned.
- 3.32 To support the scheme, it is recommended that the council provides basic information on its website about CRB and how a community nomination may be submitted.
- 3.33 The process of evaluating nominations and handling requests for listing reviews, asset disposal and compensation claims is highly technical and governed by detailed regulations. As such, the process is best managed at officer level, and it is recommended that authority be given to the Head of Property and Design and to the Head of Law to run the scheme for the council.
- 3.34 The Right, including regulations on technical aspects of the scheme, came into force on 21st September 2012. In preparation, officers have mapped the process involved in nominating and bidding for successfully listed assets, and will develop the necessary procedures to manage the scheme.
- 3.35 It is important to distinguish the Community Right to Bid from the Council's community asset transfer strategy. The asset strategy is not a product of legislation but a strategy initiated and driven by the Council which relates solely to the transfer of selected council properties to community bodies.

4. Consultation

- 4.1 The Community Right to Challenge and Community Right to Bid are statutory schemes which the Council must implement in accordance with the Legislation and Statutory Guidance. The proposed approach outlined in this report has been discussed at Leaders Group and SLT and officers have liaised with the Communities Team, Property and Design and the Corporate Procurement Team in the preparation of this report.

5. Financial Implications

There are cost implications to the council in setting up, publicising and administering a list of assets of community value, handling requests for a

review of the listing decision, communicating with interested parties when an owner wishes to sell a listed asset, and dealing with compensation claims from asset owners.

The Government has estimated that for a typical council, the scheme will require 19 days (FTE) of officer input in year 1 and 12 days for each subsequent year the scheme exists.

In addition to the cost of officers' time, the estimated annual payment by a local authority in respect of the statutory compensation scheme available to asset owners is £1200.

The costs incurred by the council in operating the scheme during the first three years of operation can be recovered from the Government. Thereafter, all operating costs and compensation pay outs will have to be met by the council directly and provision for funding this will need to be reflected in the Medium Term Financial Strategy.

CRB will create financial pressure on the Property & Design team as they will need to manage the scheme, incur one off set up costs, and resource the administration of the system once up, maintenance of the list and web site information. There are corporate costs associated with reviews/challenges and potential compensation costs. These costs will be kept under review against what can be recovered through the Government scheme and any shortfalls will need to be provided for within the budget.

Finance officer consulted: Anne Silley

Date: 14/09/12

6. Legal Implications

The Community Right to Challenge and Community Right to Bid are provided for in sections 81-108 of the Localism Act 2011 and associated Regulations. As mentioned above, the legislation in relation to the Community Right to Challenge is already in force and the Community Right to Bid is due to come into force in autumn 2012.

Due to the technical nature of the legislation, legal officers will assist in the process of evaluating expressions of interest/nominations and other aspects of the schemes, to ensure legal compliance.

Based on the process mapping already undertaken and the further preparation underway, the council will be able to meet its statutory obligations relating to both Rights.

Lawyer consulted: Elizabeth Culbert

Date: 13/09/12

7. Equalities Implications

The Communities and Equalities Team are currently carrying out a number of community events with a view to raising the profile of and answering questions about community involvement in local government and the new rights will be addressed as part of this work. For those members of the public who do not have access to the internet, basic information about the new rights and how to make nominations or expressions of interest will be made available at Town Halls and Libraries.

8. Sustainability Implications

In relation to the Community Right to Challenge, a stated aim of the introduction of this new right is to aide the sustainability and improvement of services. Equally, one of the stated aims of the Community Right to Bid is to help protect the sustainability of local communities. However, it is not guaranteed that CRB will achieve this, since the owner of a listed asset is not obliged to sell or lease the property to a community body when it is up for sale.

9. Crime & Disorder Implications

None

10. Risk and Opportunity Management Implications

For the Community Right to Challenge, there is a risk that the Council will receive numerous bids to run services and will be required to administer these and potentially run a number of additional procurement exercises which would need to be resourced. For the Community Right to Bid, there is a risk that few or none of the properties successfully nominated are put on the market. This would limit or completely negate any opportunity for a community organisation to express an interest in buying it. Similarly, as mentioned above, there is a risk that the owner of a listed asset chooses not to accept any bid put forward by a community group after the property comes onto the market.

11. Public Health Implications

None

12. Corporate / Citywide Implications

The new rights will impact on the relationship between the Council and the local community and support the council's corporate priority of creating a more sustainable city.

APPENDIX ONE

Grounds whereby an Expression of Interest may be rejected

1. The expression of interest does not comply with any of the requirements specified in the Act⁷ or in regulations.

2. The relevant body provides information in the expression of interest which in the opinion of the relevant authority, is in a material particular inadequate or inaccurate.

3. The relevant authority considers, based on the information in the expression of interest, that the relevant body or, where applicable-

(a) any member of the consortium of which it is a part, or

(b) any sub-contractor referred to in the expression of interest is not suitable to provide or assist in providing the relevant service.

4. The expression of interest relates to a relevant service where a decision, evidenced in writing, has been taken by the relevant authority to stop providing that service.

5. The expression of interest relates to a relevant service –

(a) provided, in whole or in part, by or on behalf of the relevant authority to persons who are also in receipt of a service provided or arranged by an NHS body which is integrated with the relevant service; and

(b) the continued integration of such services is, in the opinion of the relevant authority, critical to the well-being of those persons.

6. The relevant service is already the subject of a procurement exercise.

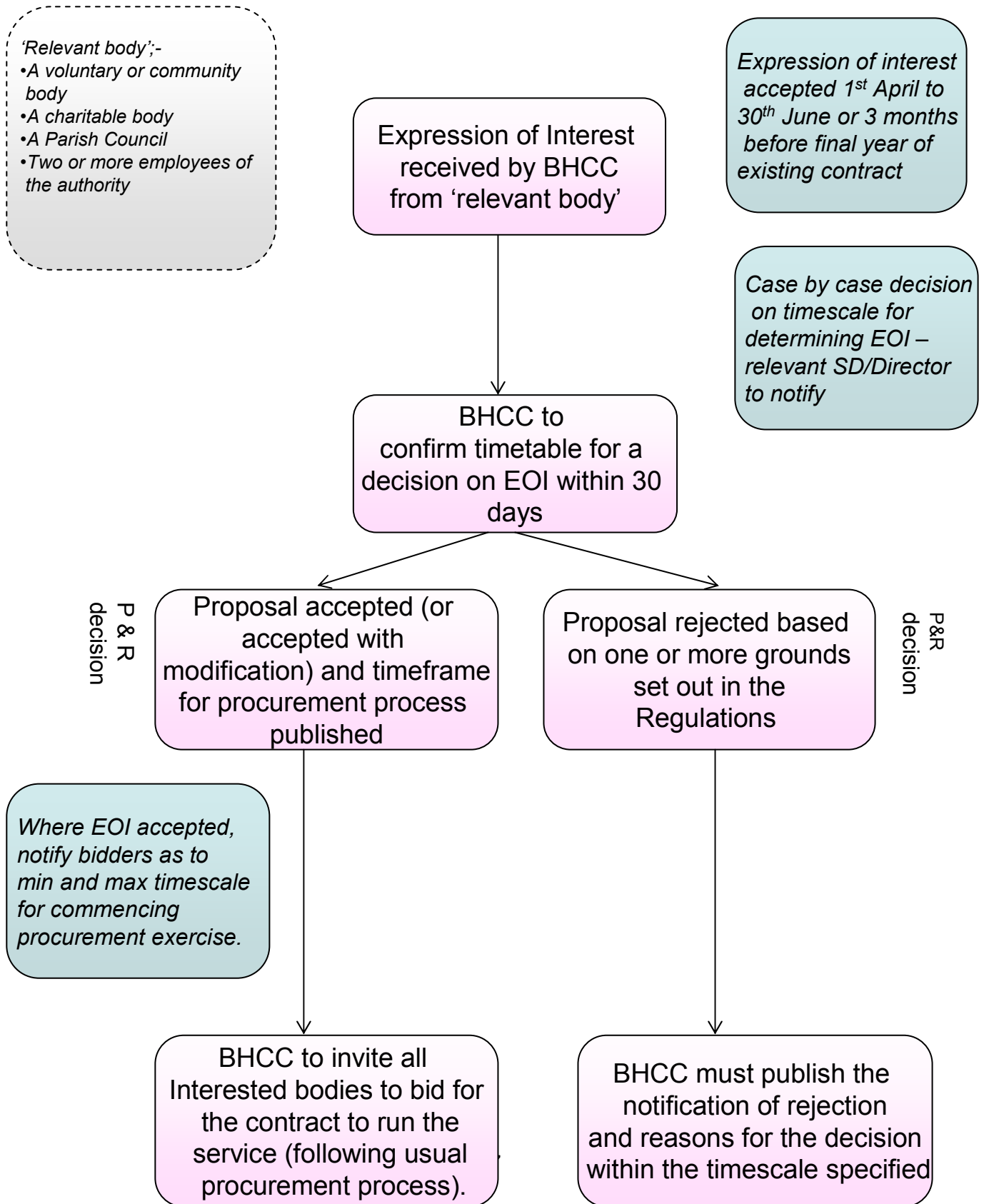
7. The relevant authority and a third party have entered into negotiations for provision of the service, which negotiations are at least in part conducted in writing.

8. The relevant authority has published its intention to consider the provision of the relevant service by a body that 2 or more specified employees of that authority propose to establish.

9. The relevant authority considers that the expression of interest is frivolous or vexatious.

10. The relevant authority considers that acceptance of the expression of interest is likely to lead to contravention of an enactment or other rule of law or a breach of statutory duty.

Community Right to Challenge - process



POLICY and RESOURCES COMMITTEE

11 October 2012

Agenda Item 63

Brighton & Hove City Council

Subject:	Nomination of Member to Serve on Proposed Coastal West Sussex Strategic Planning Board		
Date of Meeting:	11th October 2012		
Report of:	Strategic Director, Place		
Contact Officer:	Name:	Mike Holford	Tel: 29-2501
	Email:	Mike.Holford@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE/ EXEMPTIONS

1. SUMMARY AND POLICY CONTEXT:

- 1.1 A Coastal West Sussex Strategic Planning Board has been set up by the relevant local authorities to consider strategic planning issues arising from the Duty to Co-Operate required by the Localism Act and National Planning Policy Framework. The report seeks agreement on a Council Member to serve on this board.

2. RECOMMENDATIONS:

- 2.1 That the Committee agree that Councillor MacCafferty as Deputy Leader of the City Council be nominated as the City Council's representative to serve on the Coastal West Sussex Strategic Planning Board.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The Coastal West Sussex Partnership has been set up to bring together leaders and senior officers from business, education institutions and the public sector to work collectively on economic issues that affect the coastal area of Chichester, Arun, Worthing and Adur Districts.
- 3.2 The Partnership's vision is for a strengthened coastal economy that delivers an exceptional experience for residents, business and visitors. The Partnership exists to support the activities of the partner organisations, to take on roles where collaboration is most appropriate and directly assist economic regeneration projects and initiatives.
- 3.3 Coastal West Sussex is one of 5 area partnerships that contribute to the Coast to Capital Local Enterprise Partnership.
- 3.4 Shoreham Harbour is one of the main development sites in Coastal West Sussex and it is for this reason that the City Council has previously attended a number of Coastal West Sussex planning meetings.

- 3.5 With the new duty to co-operate on planning issues the Coastal West Sussex Partnership offers the opportunity for co-operation to discuss strategic planning issues. This has been agreed by the relevant local authorities on the Partnership and a Strategic Planning Board has been set up. Brighton & Hove City Council has been invited to be represented on this Board. The Board will not have any decision making powers which rest with the constituent local authorities.
- 3.6 The report recommends that Councillor MacCafferty as Deputy Leader represents the City Council on the Coastal West Sussex Strategic Planning Board.

4. COMMUNITY ENGAGEMENT AND CONSULTATION

- 4.1 None required

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 There are no direct financial implications arising from the recommendation in this report.

Finance Officer Consulted: Name Karen Brookshaw Date: 12/09/12

Legal Implications:

- 5.2 The duty to co-operate referred to in the report was introduced by the Localism Act 2011. The specific statutory requirements regarding the duty to co-operate are found in section 110 of that Act which requires that local planning authorities co-operate in relation to the planning of a “strategic matter”. “Strategic matter” is defined as “sustainable development or use of land that has or would have a significant impact on at least two planning areas, including (in particular) sustainable development or use of land for or in connection with infrastructure that is strategic and has or would have a significant impact on at least two planning areas...” The recommendation in the report accords with this duty to co-operate.

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

Lawyer Consulted: Name Hilary Woodward Date: 14/09/12

Equalities Implications:

- 5.3 None arising from this report.

Sustainability Implications:

- 5.4 Through the duty to co-operate the requirement to meet cross-boundary development requirements can be assessed.

Crime & Disorder Implications:

- 5.5 None arising from this report.

Risk and Opportunity Management Implications:

- 5.6 Failure to carry out the duty to co-operate effectively could see the City Plan being found unsound at public examination

Public Health Implications:

- 5.7 None arising from this report.

Corporate / Citywide Implications:

- 5.8 Effective co-operation with other local authorities is required to enable the development and growth requirements, including housing needs of the wider City sub-region, to be considered. In order for the City Plan to be found sound at public examination it is necessary to demonstrate evidence that the City has effectively co-operated with nearby authorities on matters of mutual or cross boundary impacts. The Strategic Planning Board offers an effective and efficient method of helping to achieve this.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 An alternative would be not to attend the Coastal West Sussex Strategic Planning Board. Alternative methods of co-operation are likely to be more time consuming and ponderous.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 The City Council is required to co-operate effectively with other local authorities to consider development needs that extend across its boundaries. This approach is required to demonstrate the soundness of the City Plan. Membership of the Coastal West Sussex Strategic Planning Board is one way of meeting these objectives and demonstrating that the duty to co-operate has been met.

SUPPORTING DOCUMENTATION

Appendices:

1. None

Documents in Members' Rooms

1. None

Background Documents

1. None

POLICY & RESOURCES COMMITTEE

Agenda Item 64

11 October 2012

Brighton & Hove City Council

Subject:	Shared Services: Request for Scrutiny Review – Extract from the proceedings of the Overview & Scrutiny Committee meeting held on the 10th September 2012		
Date of Meeting:	11 October 2012		
Report of:	Monitoring Officer		
Contact Officer:	Name:	Tom Hook	Tel: 29-1110
	Email:	tom.hook@brighton-hove.gov.uk	
Ward(s) affected:	All		

DRAFT MINUTES

Present: Councillor Morgan (Chair) Councillor Cox (Deputy Chair), Brown, Buckley, Farrow, Follett, Hawtree, Marsh, K Norman and Duncan

PART ONE

21 OSC DRAFT WORK PLAN/SCRUTINY UPDATE

- 21.1 The Head of Scrutiny Tom Hook introduced the report on the OSC Draft Work Plan and Suggestions for Scrutiny Panels
- 21.2 Members noted the draft work plan and discussed how to progress suggestions received for scrutiny panels.
- 21.3 Regarding establishing a joint scrutiny panel with HWOSC on alcohol, based on the Intelligent Commissioning pilot and the Big Debate earlier this year; some members felt enough was already being done by and with health organisations, Sussex Police and the licensed trade. Alcohol was a big part of the business and social scene in the City. Councillor Ben Duncan, Chair of the Licensing Committee supported the scrutiny suggestion and others spoke in favour, especially since the recommendations would go not only to Committee but also to key Partner organisations. Members resolved to agree to this request; groups would be asked for member nominations to the Panel.
- 21.4 Considering scrutiny of the Community Safety Forum, Councillor Ben Duncan as Chair of CSF said the performance of the CSF was a separate issue from the performance of community safety measures. The Police and Crime Commissioner (PCC) would be responsible from November for the setting of Community Safety budgets.
- 21.5 Issues were raised such as reporting community safety concerns, how partners worked together in practice, and how the community was involved and felt it would be useful to investigate community safety and the work of the CSF.

- 21.6 OSC Chair Councillor Warren Morgan had served on the Council's cross-party forum on the new Constitution and reminded the meeting that the establishment of the CSF had been affirmed only recently, in May this year. He suggested that the request be put on hold until after the election of the PCC. Members agreed to revisit the suggestion as part of the Committee's future work plan.
- 21.7 In considering the provision of public toilets, and acknowledging the 2012/2013 budget debate and financial pressures, some Members had concerns about people with health conditions, older people, children and visitors for whom accessible public toilets were particularly important. It was fully agreed that this was a suitable topic for scrutiny.
- 21.8 **On the principle of shared services, some Members had reservations; this approach could be impractical and not necessarily good value for money. However it may be possible to make savings under some circumstances and experience from other local authorities, local partners or other organisations could be drawn upon.**
- 21.9 **There were wide-ranging views on the potential of scrutinising shared services and Members agreed that it would be difficult to achieve a consensus on the matter, and that it was a large and complex issue.**
- 21.10 **The Chair Councillor Warren Morgan suggested there may be alternative ways to consider shared service proposals other than scrutiny and following further discussion it was agreed to refer the request on, to Policy & Resources Committee.**
- 21.11 The Committee noted that CVSF has requested a scrutiny review of implementing the Social Value Act 2012 and agreed to do this. Groups would be contacted for member nominations.
- 21.12 With reference to the Housing Capacity of the City, several members said there was risk of duplication as this was being dealt with as part of the City Plan. Members generally considered that there would be no added value that a scrutiny review could bring to the subject. The request was not agreed.
- 21.13 **RESOLVED:**
- 1) That the OSC work plan and progress of work on current scrutiny panels be noted.
 - 2) That two scrutiny reviews be agreed: of public toilet provision (Appendix 3) and implementing the Social Value Act 2012 (Appendix 5)
 - 3) That a joint scrutiny panel on alcohol with HWOSC be agreed.
 - 4) That requests for reviews of child sexual exploitation and weekend cover in hospitals are referred to HWOSC for consideration
 - 5) **That the request for scrutiny of shared services (Appendix 4) be referred on to Policy & Resources Committee.**

Ideas for Overview & Scrutiny – Scoping Paper – Appendix 4

Title	Shared Services
Summary of Issue	<p>How we are doing currently, what more we could be doing and potential savings to be made?</p> <p>This has the potential to be a very large piece of work; this paper therefore focuses on those services often described as 'back-office'.</p>
Request originator	Cllr G Theobald
Policy Committee Chair notified	Cllr Kitcat
Relevant legislation/ summary of most recent legislative changes	Local Government Act 1972 & Local Government Act 2000
Policy context/ summary of most recent policy changes	<p>Shared services are regularly referred to as something that could deliver the public sector and particularly local government significant savings.</p> <p>There is however an unresolved debate as to the actual benefits of shared service models. Whilst there is research that suggests councils have been successful in sharing services, saving money and guaranteeing the quality of those services there is also a strong narrative that shows shared services do not always deliver in this manner.</p> <p>The council already has a number of shared services, and is looking at the potential of other areas. The Public Service Board has a Shared Services Steering Group that aims to 'to maximise the opportunities for support service partnerships to reduce overall costs, improve customer service and support commissioning'.</p> <p>This group has looked at the benefits and risks associated with sharing services across a range of service areas as well as supporting a number of specific shared service initiatives.</p> <p>Southeast 7 (SE7) is a regional collaboration between B&H, ESCC, Surrey, WSCC, Hampshire, Kent CC and Medway looking for ways of driving down cost and sharing replicating services. Work-streams focusing on:</p> <ul style="list-style-type: none"> • ICT

	<ul style="list-style-type: none"> • SEN • Waste • Highways <p>The final section of this scope sets out a summary of some areas where the council is, or is looking to, share services. This is not however an exhaustive list.</p>
Pre-decision (Yes/No)	No
Committee Work Programme (date & link)	None
Key issues	<ul style="list-style-type: none"> • What are the benefits of sharing services? (Financial and non-financial) • Which other local authorities have successfully shared services? How? Good practice from elsewhere. • Which services are we currently sharing? • What are the benefits & risks associated with sharing services? • Is an ad-hoc approach, taking advantage of opportunities as they arise, better than seeking shared services as standard?
Focus	<ul style="list-style-type: none"> • What services are we currently sharing? • What consideration has been given to sharing other services? • Do shared services provide significant savings and value for money? • Does the sharing of services provide for better services?
Performance data (BHLIS/CPP/ Inspection reports) & other sources of information	http://www.publicfinance.co.uk/news/2012/08/council-shared-services-are-saving-money-says-lga/ http://www.local.gov.uk/web/guest/productivity/-/journal_content/56/10171/3675051/ARTICLE-TEMPLATE http://www.local.gov.uk/c/document_library/get_file?uuid=287a8af6-934c-4c81-a6df-a9dd78293c00&groupId=10171 http://www.guardian.co.uk/local-government-network/2011/aug/24/shared-services http://www.guardian.co.uk/housing-network/2011/jul/07/flawed-mantra-shared-services http://www.guardian.co.uk/local-government-network/2011/aug/15/councils-as-place-shapers?intcmp=239
Key partners	PCT, Sussex Police, East Sussex Fire & Rescue, Universities, other local authorities, private companies, third sector.
Possible outcomes	Better understanding of where council should be looking to share services, recommendation for sharing

	services with specific partners, principles upon which to base future service design.
Timetable	This would depend on the scope of the panel – it is likely to be a quite complex piece of work.
Panel/workshop/referral	
Co-option(?)	No.

Summary of Shared Services

City Property Group

The aim of the City Property Group is to identify joint working opportunities making the best, shared use of our estates. The group is made up of Brighton & Hove City Council representatives, as well as those from the NHS Trusts, the Fire and Ambulance Services, Sussex Police, Central Government Departments and the Universities with property interests within the city.

Other work has been undertaken as part of the SE 7 and with Sussex Police. Property and Design are also involved in a number of other initiatives with partners all aimed at sharing good practice, driving down costs and providing better services.

IT Support

ICT is working with Southeast 7 (SE7) regional Chief Information Officers (CIOs) to collaborate on a number of technology workstreams. The ICT workstream is led by B&HCC through Catherine Vaughan but the individual packages of work are well spread amongst CIOs in the region. The two most important elements of the workstream are the creation of a “network of networks” and the procurement activity.

The Sussex LINK is a Sussex Wide public sector ICT consortium with BHCC and ESCC as Anchor Tenants for Sussex Police, ES Districts and Boroughs, Health, Fire & Rescue and HE. This partnership is driving opportunities for collaborative ICT Category procurement and removing the barriers to sharing services within our respective organisations. Current focus is on procuring a new Public Services Network that allows partners to join up communications between organisations whilst driving down the cost of commodity items.

Benefits of sharing

- Increasing capacity
- Gaining access to a wider set of skills
- Economies of scale
- Increased purchasing power by aggregating procurement
- Increasing resilience in the context of continuity management
- Common systems and processes to support functions across a number of partner organisations (e.g. CRM)

City Intelligence Group

The City Intelligence Group co-ordinates and delivers partnership intelligence and outcome measurement activities on behalf of Brighton & Hove strategic Partnership. The City Intelligence Group was mandated by the Public Service Board to prepare and manage the City Performance Plan and to manage the performance of thematic partnerships.

Analysis & Intelligence Network

The Analysis & Intelligence Network helps to ensure that data, intelligence and relevant performance information are shared effectively between different organisations and partnerships. This allows organisations to develop a rounded view of the areas of strength and those that require improvement across the City. The purpose of the network is to:

- Facilitate effective communication between members
- Ease the process of finding the person that holds the data/information that you may need
- Maintaining a directory of analysts/researchers/performance specialists across the City
- Facilitating skills exchanges between members across the City

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