





Brighton & Hove
City Council

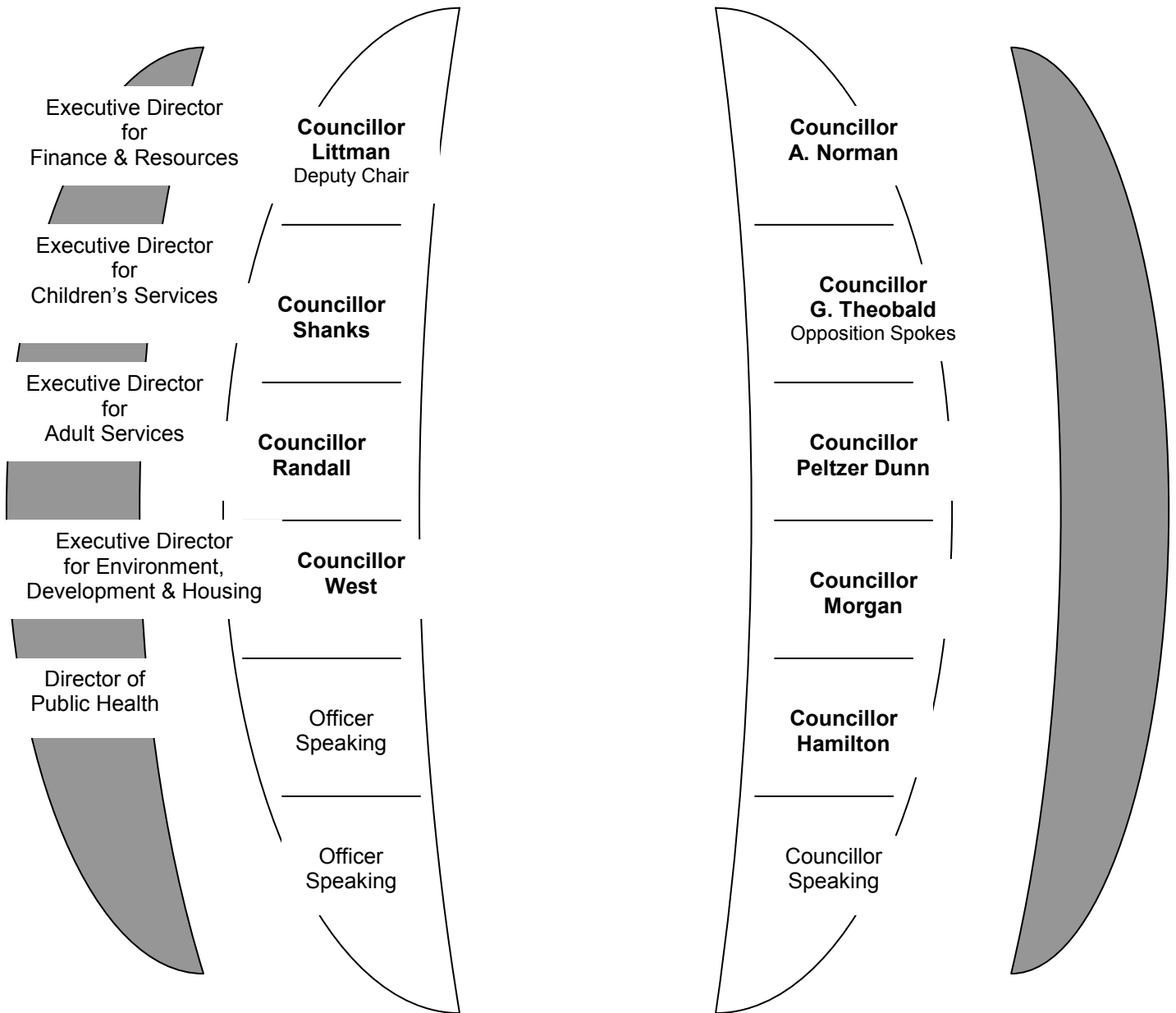
Policy & Resources Committee

Title:	Policy & Resources Committee
Date:	13 June 2013
Time:	4.00pm
Venue	Council Chamber, Hove Town Hall
Members:	Councillors: J Kitcat (Chair), Littman (Deputy Chair), G Theobald (Opposition Spokesperson), Morgan (Opposition Spokesperson), Hamilton, A Norman, Peltzer Dunn, Shanks, Randall and West
Contact:	Mark Wall Head of Democratic Services 01273 291006 mark.wall@brighton-hove.gov.uk

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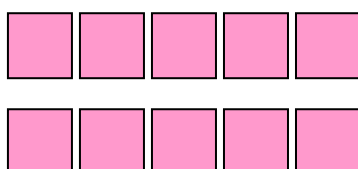
Democratic Services: Policy & Resources Committee

Monitoring Officer	Councillor J. Kitcat Chair	Chief Executive	Head of Democratic Services
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Public Speaker	Public Speaker
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Public Seating



Press



AGENDA

PROCEDURAL MATTERS

1. 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.

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

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

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

2. MINUTES

1 - 10

To consider the minutes of the meeting held on the 2nd May 2013 (copy attached).

Contact Officer: Mark Wall
Ward Affected: All Wards

Tel: 29-1006

3. CHAIR'S COMMUNICATIONS

4. CALL OVER

- (a) Items (7 – 9) 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

5. 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 6th June 2013;
- (c) **Deputations:** to receive any deputations submitted by the due date of 12 noon on the 6th June 2013.

6. MEMBER INVOLVEMENT

11 - 12

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) **Notices of Motion:**
 - (i) 'Blacklisting of Construction Workers.' Referred from the Council meeting held on the 9th May 2013 (copy attached).

Contact Officer: Mark Wall
Ward Affected: All Wards

Tel: 29-1006

POLICY & RESOURCES COMMITTEE

FINANCIAL MATTERS

**7. TARGETED BUDGET MANAGEMENT (TBM) PROVISIONAL
OUTTURN 2012/13** **13 - 92**

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

Contact Officer: Jeff Coates

Tel: 29-2364

Ward Affected: All Wards

STRATEGIC & POLICY MATTERS

**8. EMPLOYABILITY FOR YOUNG PEOPLE IN CARE AND CARE
LEAVERS - UPDATE** **93 - 96**

Report of the Executive Director for Children's Services (copy attached).

Contact Officer: James Dougan

Tel: 295511

Ward Affected: All Wards

CONTRACTUAL MATTERS

**9. RATIONALISATION AND PROCUREMENT OF THE MECHANICAL
AND ELECTRICAL TERM CONTRACTS** **97 - 102**

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

Ward Affected: All Wards

GENERAL MATTERS

10. ITEMS REFERRED FOR COUNCIL

To consider items to be submitted to the 18th July 2013 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 July 2013 (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.

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.

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

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

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

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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, 5 June 2013

BRIGHTON & HOVE CITY COUNCIL

POLICY & RESOURCES COMMITTEE

4.00pm 2 MAY 2013

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

Present: Councillor J Kitcat (Chair) Councillors Littman (Deputy Chair), G Theobald (Opposition Spokesperson), Mitchell (Opposition Spokesperson), Hamilton, Mac Cafferty, A Norman, K Norman, Shanks and West.

Other Members present: Councillors Morgan and Hyde.

PART ONE

179. PROCEDURAL BUSINESS

(a) Declarations of Substitutes

179.1 Councillors Mac Cafferty and K. Norman declared that they were attending the meeting as a substitute for Councillors Wakefield and Peltzer Dunn respectively.

(b) Declarations of Interest

179.2 There were no declarations of interest.

(c) Exclusion of the Press and Public

179.3 The Committee considered whether the press and public should be excluded from the meeting during the consideration of any of the items listed on the agenda.

179.4 **RESOLVED:** That the press and public be not excluded from the meeting.

180. MINUTES

180.1 **RESOLVED:** That the minutes of the last meeting held on the 21 March 2013 be approved as a correct record of the proceedings and signed by the Chair.

181. CHAIR'S COMMUNICATIONS

- 181.1 The Chair stated that he had a number of communications to make today, the first of which was to pay tribute to Councillor Mitchell following her announcement that she would be stepping down as Leader of the Labour & Co-Operative Group. It had been a pleasure to have Councillor Mitchell question and quiz him as Leader of her Group at these meetings; her methodical preparation and iron sure grasp on the minutiae made her a formidable presence on any committee, but particularly here and at Council she had shown real skill, determination and passion to represent her constituents and her group and, on behalf of his Group he thanked her for her dedication and wished her well for the future.
- 181.2 The Chair stated that last Tuesday he attended the 'topping out' ceremony at Portslade Aldridge Community Academy which marked the completion of the first stage of a £11.2m building and refurbishment project. The ceremony celebrated the completion of the main structure of a new sixth form centre, as well as marking the internal refurbishments which are being carried out to existing buildings. He was pleased to attend alongside staff and students and with representatives from the Aldridge Foundation, colleagues from the council and regeneration specialist 'Keepmoat', who were carrying out the building work.
- 181.3 On the topic of education; he noted that last term there were 10 full Ofsted inspections; of those, six schools were judged to be good - all improving from satisfactory. They were Moulsecoomb Primary, St Joseph's Primary, Blatchington Mill, Patcham High, Hove Park and ACE. 80% of schools in the city were now judged to be good or outstanding.
- 181.4 The Chair stated that at our last meeting we resolved that officers consult on the possible withdrawal of the 96 bus service with the parents / carers of current users; including on possible funding of alternative transport solutions. We asked that they provide a report to a future meeting. A brief consultation paper was issued to parents and carers and to the two schools on 19 April, with a request for comments to be returned by the thirtieth. The paper included six options to be considered:
1. Students are provided with a 24 / 7 bus pass subsidised by the Council;
 2. Parents organise a local minibus service which would be subsidised by the Council;
 3. Blatchington Mill and Hove Park provide minibus transport for these students subsidised by the Council;
 4. The Council negotiates an extension to an existing bus route and meet any additional cost.
 5. Social care to provide transport and funded by the Council;
 6. Extending or retiming the 14 bus combined with giving people a bus pass.
- 181.5 The Chair noted that by the requested response date of 30 April, four responses from parents had been received. These and any others that may be received would now be considered in consultation with the schools and representatives of the parents, and an update would be provided to the committee on 13 June 2013.

- 181.6 The Chair stated that he would like to formally offer his congratulations to Chief Superintendent Nev Kemp on becoming the new Police Commander for Brighton and Hove. The council and the police had parallel responsibilities when it came to the safety and lawfulness of the city and our work together, though challenging had proved fruitful. He expected that they would share more challenges and he looked forward to working with the new Commander to resolve them.
- 181.7 The Chair stated that he wished to offer his congratulations to the Albion for reaching the playoffs; and hoped that it would lead to further success and a much sought place in the Premiership League. He also offered congratulations to Whitehawk FC who had achieved promotion from the Ryman Premier to the Conference South, League.
- 181.8 Finally he was delighted to confirm that the city had been successful in its bid to host some games of the 2015 Rugby World Cup. It looked set to be hosting matches at the Amex between South Africa and a team from Asia and Samoa versus a team from America. Winning this bid was a huge achievement and he wished to thank the Albion, officers and colleagues who helped shape and submit the bid. He also extended a warm invitation to Rugby fans from around the globe, particularly to those whose countries would be playing here; he was sure Brighton and Hove would provide them with enjoyable times in and out of the stadium.

182. CALL OVER

- 182.1 The Chair proposed that no call over be taken in view of the lightness of the agenda and this was agreed.

183. PUBLIC INVOLVEMENT

(a) Petitions

- 183.1 The Chair noted that there were no petitions to be presented by members of the public.

(b) Written Questions

- 183.2 The Chair noted that there were no written questions from members of the public.

(c) Deputations

- 183.3 The Chair noted that no deputations had been submitted by members of the public for the current meeting.

184. MEMBER INVOLVEMENT

(a) Petitions

- 183.4 The Chair noted that there were no petitions to be presented by Members.

(b) Letters

- 183.5 The Chair noted that two Members' letters had been submitted for inclusion on the agenda and invited Councillor Hamilton to speak to his letter and outline his concerns in relation to Portslade Town Hall Car Park.
- 183.6 Councillor Hamilton thanked the Chair and stated that in regard to the proposed redevelopment of Portslade Town Hall he was concerned about the impact on the available parking spaces that would be decreased and therefore have a detrimental affect on the use of the facilities. He believed that there were no bus services along Victoria Road and that on-street parking was severely limited. He therefore sought an assurance that this would be looked at and adequate parking provided to enable the new development to be used effectively.
- 183.7 The Chair thanked Councillor Hamilton for his letter and stated that he had a detailed response a copy of which he would ensure was sent to Councillor Hamilton, but noted that it was intended to provide a new community hub with additional housing and employment opportunities as well as a new bowling pavilion. It would need to be attractive to the market and have sufficient frontage and space to appeal to developers, their funders and homeowners. As such officers were exploring the potential use of the car park opposite to off-set some of the loss of spaces following the redevelopment. He then proposed that the letter be noted.
- 183.8 **RESOLVED:** That the letter be noted.
- 183.9 The Chair then invited Councillor Morgan to come forward and speak to the joint letter from him and Councillor Rufus, regarding the role and work of the overview and scrutiny process.
- 183.10 Councillor Morgan thanked the Chair and stated that both and Councillor Rufus had wanted to highlight the role of scrutiny and the benefits it offered under the committee system to enable research and policy development work to be undertaken and reported back to committees. He believed that the council had an excellent scrutiny team and that this should be utilised to undertake work on behalf of the policy committees and to then report back on its findings. The process enabled the use of co-optees and experts from various fields to be involved and help to develop ideas and solutions that could then be considered by the council and free up time for committees to concentrate on their general responsibilities. It also enabled work to be undertaken outside of party political lines and therefore act as a critical friend and policy developer.
- 183.11 The Chair thanked Councillor Morgan for attending the meeting and welcomed the highlighting of the work that could be undertaken by the scrutiny process in helping to review and develop policy. He believed it had an important part to play within the decision making process and hoped that all committees would give consideration to using it effectively. He would ensure that a copy of the letter was passed to all the Committee Chairs and that they were encouraged to think about how scrutiny could be used. In the meantime he proposed that the letter be noted.
- 183.12 **RESOLVED:** That the letter be noted.

(c) Notices of Motion

- 183.13 The Chair noted that two notices of motion had been referred to the committee from the Council meeting held on the 28th March 2013. In regard to the first which related to the 'Bedroom Tax' and the impact of welfare changes, he suggested that it should be noted as it was the subject of a separate report that was due to be considered by the Housing Committee.
- 183.14 The Chair then referred to the second notice of motion which concerned the proposed National Evacuees Memorial and the donation of £1,000 towards the costs of the memorial that was to be placed in Lichfield. He stated that he wished to welcome Mrs. Maureen Blakey to the meeting and to invite her to address the committee as she was involved in the campaign for the memorial.
- 183.15 Mrs. Blakey thanked the Chair and stated that she had been an evacuee and had spent her time during World War Two in Goring, having been sent down from London with her sister and other children. It had been a very difficult time for them and their families as well as those involved in moving the children and the families who took them in. The campaign sought to give recognition to the story of the great evacuation and the memorial would take the form of a group of 11 children on a base and she hoped that the council would be able to support the campaign and help to enable the recognition of all concerned to be made permanent with the siting of a national memorial at the National Memorial Arboretum at Lichfield.
- 183.16 The Chair thanked Mrs. Blakey for coming to the meeting and addressing the committee, which could clearly see how important it was to her to have a national memorial. He therefore moved that a donation of £1,000 from the council be made as detailed in the report.
- 183.17 **RESOLVED:**
- (1) That the Notice of Motion concerning 'Bedroom Tax' be noted; and
 - (2) That the Notice of Motion concerning the National Evacuees Memorial be noted and a donation of £1,000 to the campaign for the memorial at Lichfield as detailed in the report be approved.

185. DISCRETIONARY HOUSING PAYMENTS

- 185.1 The Executive Director for Finance & Resources introduced the report which outlined how applications to the Discretionary Housing Payment (DHP) would be assessed in the future following various changes to welfare reform by the Government. She noted that as a result of the changes it was anticipated that there would be a greater demand for support from the DHP and that individual cases would be considered on a case-by-case basis.
- 185.2 Councillor Littman welcomed the report and stated that he hoped it would provide the basis for cross-party understanding of the parameters of the scheme and noted that for 2013/14 the reduction in housing benefit that people in the city would receive was £11-12 million less than it was in 2010/11. The DHP was intended to provide

temporary financial assistance to people who were experiencing particular difficulties or hardship.

- 185.3 Councillor A. Norman welcomed the report and what she felt was a fair and balanced scheme.
- 185.4 Councillor Mitchell thanked the officers for the report and stated that it was difficult to estimate the lasting effects of the welfare reform changes; however she fully supported the recommendations. She also noted that there was a question mark over the proposed use of HRA monies to support the fund that was detailed in the report that was due to be considered by the Housing Committee.
- 185.5 Councillor K. Norman asked for clarification in regard to the Housing Committee report and the use of £70k from the HRA budget; as he believed the restrictions associated with the use of HRA funding may be called into question. He also noted that there were a number of exemptions that needed to be taken into account with regard to who was likely to be affected by the changes.
- 185.6 The Chair noted the comments and stated that he was sure that these issues would be considered by the Housing Committee. He also noted that it was estimated that 500 households would be in need of support as a result of the changes and that £13m was being taken out of the DHP next year for local authorities. He also suggested that the questions in relation to the HRA budget were more of a matter for the Housing Committee.
- 185.7 The Executive Director for Finance & Resources stated that the proposed use of £70k was part of the General Fund and would only be accessible to council tenants who would also be able to access the core funding that would be available. The report did recognise that there were possible legal constraints in relation to the HRA and therefore advice was being sought from the Secretary of State by a number of authorities as to whether this was an option.
- 185.8 Councillor Hamilton stated that the reductions in Housing Benefit and the DHP fund as a result of Government action would put pressure on a number of families and it was likely that people would not use their housing benefit to pay their rents as they would be faced with less income and other pressures that they felt were more pressing. In which case it would only add to the problems faced because of rent arrears and the increased likelihood of being made homeless and therefore more pressure on the council.
- 185.9 Councillor G. Theobald noted that the Government had inherited a budget deficit and action was required to address that and therefore changes were necessary.
- 185.10 The Chair noted the comments and put the recommendations to the vote.
- 185.11 **RESOLVED:**
- (1) That the principles for the administration of the DHP be agreed as set out in paragraph 3.12 of the report;

- (2) That the proposed scheme for assessing applications to DHP as set out in Appendix 1 to the report be agreed; and
- (3) That the Executive Director of Finance & Resources, the Head of City Services and other appropriate officers exercising relevant functions be authorised to take all appropriate steps to administer the scheme.

186. COASTAL DEFENCE STRATEGY - BRIGHTON MARINA TO RIVER ADUR

- 186.1 The Executive Director for Environment, Development & Housing introduced the report which detailed the need for a risk-based management strategy for coast defence to ensure that the city's coastline was not adversely affected by coastal erosion and sea flooding. He noted that the preparation of a draft strategy had started last year and working with Adur and Worthing Councils a further information gathering exercise was being undertaken by officers, in accordance with DEFRA requirements.
- 186.2 Councillor West stated that it was an important report and that whilst funding was available for some works that may result from the review, there could be costs associated with improvement works as recommended by review which would fall to the council unless other government funding was made available. He suggested that consideration needed to be given to this possibility and to how areas outside of the study could be accounted for and whether costs would be shared across those authorities affected. He also noted that the emerging seafront strategy would need to take account of key environmental aspects as well as sea defences. It was likely that the council would be faced with some difficult choices in the near future.
- 186.3 Councillor Mitchell stated that it was a crucial report both ecologically and environmentally and there costs of works against assets had to be given due consideration e.g. the A259 which was an important route but in need of repair. She hoped that further studies outside the initial one referred to in the report would be made and welcomed the intention to work with Lewes District Council.
- 186.4 Councillor G. Theobald welcomed the report and stated that he would like further information in due course in relation to those areas of works that were likely to be required and would have a significant cost e.g. at the mouth of the River Adur and therefore how these would be met across the authorities affected.
- 186.5 The Executive Director for Environment, Development & Housing stated that it was not yet possible to identify the financial liabilities for such aspects at this time, but he hoped it could be included in future reports to committee.
- 186.6 The Chair noted the comments and proposed that an amendment be made to recommendation 2.2 so that the results of the consultation were reported back to the Environment, Transport & Sustainability Committee rather than to Policy & Resources.
- 186.7 The amendment was accepted by the committee and the Chair put the recommendations to the vote.

186.8 RESOLVED:

- (1) That the officers be authorised to undertake consultation on a number of management options for coastal defences within the 3 defined sections of the coast between Brighton Marina and the River Adur as set out in paragraph 3.6 of the report; and
- (2) That the results of the consultation be reported back to the Environment, Transport & Sustainability Committee, in order that a preferred option for the defence of this section of the city's coast can be considered and agreed.

187. RESPONSE TO TRANS SCRUTINY PANEL RECOMMENDATIONS

- 187.1 The Assistant Chief Executive introduced the report which detailed the Executive's response to the Scrutiny Panel's recommendations following its review of the challenges and inequalities faced by transgender people in the city. She noted that there had been a thorough review and the Panel's report had been published in January. She stated that the response to the recommendations which cut across all areas both within and outside of the council, was to accept all the recommendations in principal and she noted that a number had already been taken forward, whilst others required discussions with partner organisations.
- 187.2 The Executive Director for Finance & Resources stated that she had been designated as the Equalities Champion for the Leadership Team and would be responsible for championing aspects of the recommendations and supporting the trans community.
- 187.3 Councillor Mac Cafferty as Chair of the Scrutiny Panel stated that he wished to thank his fellow Panel Members for their support and receiving all the evidence that was submitted, some of which was heart-breaking. He believed that the Panel's recommendations would go a long way to improving the understanding of the trans community and their needs and he hoped would see an impact in the delivery of services to that community. He also hoped that all other agencies would take on board their responsibilities and that this would lead to improved relations. He also hoped that further reports would be made to the Overview & Scrutiny Committee on how matters had been taken forward and what changes had been made.
- 187.4 Councillor A. Norman welcomed the report and stated that the review was a clear example of how well the scrutiny process worked. She hoped that the recommendations would be taken forward and that the trans community would be able to see a change in the delivery of services.
- 187.5 Councillor Mitchell stated that it was an excellent piece of work and that she wished to pay tribute to the Scrutiny Panel and to those that came to give evidence, as well as the Scrutiny Team who supported the review. She also welcomed the involvement of the Executive Director which she felt was important and hoped that update reports would be brought to the scrutiny committee in due course.
- 187.6 The Chair noted the comments and stated that he wished to thank the Scrutiny Panel and that the report would be shared with the Local Government Association so that

other authorities could learn from it and take action as necessary. He then put the recommendations to the vote.

187.7 RESOLVED:

- (1) That the excellent process undertaken by the scrutiny team, assisted by the communities and equality team, to produce the Trans Equality Scrutiny Report be noted;
- (2) That the scrutiny report be welcomed and the significance of its findings be noted;
- (3) That the recommendations relevant to the city council be accepted and the responses to the individual recommendations as detailed in appendix 1 to the report be agreed;
- (4) That those recommendations that are for either other or all public sector organisations or third sector partners be noted, and it be agreed that the council would work in partnership to implement these recommendations; and
- (5) That the Trans Equality Report and the committee report be shared with the Local Government Association and other appropriate local government peer groups/forums.

187.8 RESOLVED TO RECOMMEND: That the Council be recommended to note the response to the Trans Scrutiny Panel's recommendations.

188. RE-PROCUREMENT OF CORPORATE PRINT & COPY DEVICES

188.1 The Executive Director for Finance & Resources introduced the report which detailed the proposed procurement exercise for the continued provision of corporate print & copy devices following the expiry of the current contract in December 2013. She noted that the new contract was intended to provide greater flexibility and to lead to further improvements in relation to the number and use of devices so as to lead to even greater economies of scale.

188.2 Councillor A. Norman welcomed the report and hoped that options for joint provision e.g. through the SE7 group would be explored and that further opportunities to reduce paper usage would be considered e.g. via the use of tablets etc...

188.3 The Chair noted the comments and stated that such considerations would be taken into account and suggested that Members would need to consider how they could improve their own use/demand for paper. He was happy to explore alternative avenues to reduce costs and improve services and therefore put the recommendations to the vote.

188.4 RESOLVED:

- (1) That the procurement of a corporate contract for the supply and maintenance of MFD equipment through a framework agreement be approved;

- (2) That the re-tendering of the contract for an initial term of 3 years with an option to extend for periods of up to 24 months (possible maximum 5 year term) be approved;
- (3) That the timetable and process for procurement, as detailed in section 3 of the report be approved; and
- (4) That the Executive Director for Finance & Resources be granted delegated authority:
 - (i) to award and let the contract following evaluation of tenders; and
 - (ii) to extend the initial 3-year term of the contract by up to 24 months, should the Director consider it appropriate, and subject always to satisfactory performance by the appointed contractor.

189. ITEMS REFERRED FOR COUNCIL

189.1 No items were referred to the next council meeting.

The meeting concluded at 5.20pm.

Signed

Chair

Dated this

day of

2013

Subject:	'Blacklisting of Construction Workers – Notice of Motion Approved by Full Council on the 9th May 2013		
Date of Meeting:	13 June 2013		
Contact Officer:	Name:	Mark Wall	Tel: 291006
	Email:	mark.wall@brighton-hove.gov.uk	
Ward(s) affected:	All		

NOTICE OF MOTION

BLACKLISTING OF CONSTRUCTION WORKERS

“This council notes evidence which has emerged as part of a Parliamentary inquiry into blacklisting in employment, which has brought forward allegations of widespread use of blacklists in relation to major public sector construction projects.

This council further notes that secret files on thousands of workers in the construction sector have resulted in people being denied employment after raising legitimate health and safety concerns, or exercising their human right to belong to a trade union, and were used by more than 40 of the UK's largest construction firms.

This council deplores the practice of 'blacklisting' within the construction industry, and requests the Policy & Resources Committee to ensure that any company known to have been involved in blacklisting practices and not to have indemnified their victims will not be invited to tender contracts by the Council.”

Subject:	Targeted Budget Management (TBM) Provisional Outturn 2012/13		
Date of Meeting:	13 June 2013		
Report of:	Executive Director of Finance & Resources		
Contact Officer:	Name:	Jeff Coates	Tel: 29-2364
	Email:	jeff.coates@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE

1 SUMMARY AND POLICY CONTEXT:

- 1.1 This report sets out the provisional outturn position (Month 12) on the revenue and capital budgets for the financial year 2012/13. The final outturn position is subject to the annual external audit review. This will be shown in the council's financial statements which must be signed by the Chief Finance Officer by 30 June 2013 and the audited set approved by the Audit & Standards Committee by 30 September 2013.

2 RECOMMENDATIONS:

- 2.1 That the Committee note the provisional outturn position for the General Fund, which is an underspend of £4.610m (compared to £4.513m assumed at budget setting time). This includes £4.201m for the council controlled budgets and £0.409m on the NHS managed S75 budgets.
- 2.2 That the Committee note the provisional outturn for the Housing Revenue Account (HRA), which is an underspend of £1.963m.
- 2.3 That the Committee note the provisional outturn for the Dedicated Schools Grant (DSG) which is an underspend of £1.089m.
- 2.4 That the Committee approve the carry forward requests totalling £4.806m as detailed in Appendix 2.
- 2.5 That the Committee note the provisional outturn position on the capital programme.
- 2.6 That the Committee approve the following changes to the capital programme:
- i) The budget re-profiling and budget variations as set out in Appendix 4;
 - 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 4;
 - iii) New schemes 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 (statutory S151 Chief Finance Officer)

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.

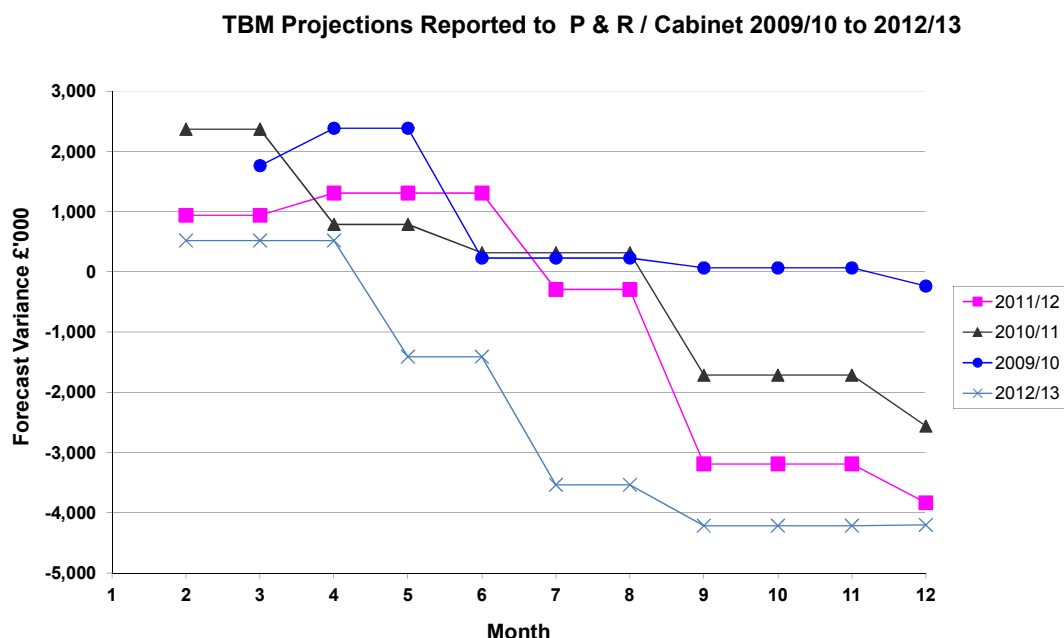
Forecast Variance Month 9 £'000	Strategic Area	2012/13 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(5,134)	People	123,024	117,078	(5,946)	-4.8%
1,046	Environment, Development & Housing	36,327	38,037	1,710	4.7%
672	Communities	11,630	11,948	318	2.7%
(244)	Resources & Finance	35,667	35,113	(554)	-1.6%
(3,660)	Sub Total	206,648	202,176	(4,472)	-2.2%
(553)	Corporate Budgets	(9,406)	(9,135)	271	2.9%
(4,213)	Total Council Controlled Budgets	197,242	193,041	(4,201)	-2.1%

- 3.4 In 2012/13, the General Fund included Commissioning Units and Service Delivery Units, which were organised under the strategic areas of People, Environment, Development & Housing, and Communities. These, together with

Resources & Finance Units and Corporate Budgets made 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 3 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 9 £'000	Corporate Critical	2012/13 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(3,262)	Child Agency & In House	22,133	18,666	(3,467)	-15.7%
(2,055)	Community Care	43,286	41,231	(2,055)	-4.7%
429	Sustainable Transport	(15,986)	(15,582)	404	2.5%
132	Temporary Accommodation	761	870	109	14.3%
(352)	Housing Benefits	(752)	(1,165)	(413)	54.9%
(5,108)	Total Council Controlled	49,442	44,020	(5,422)	-11.0%

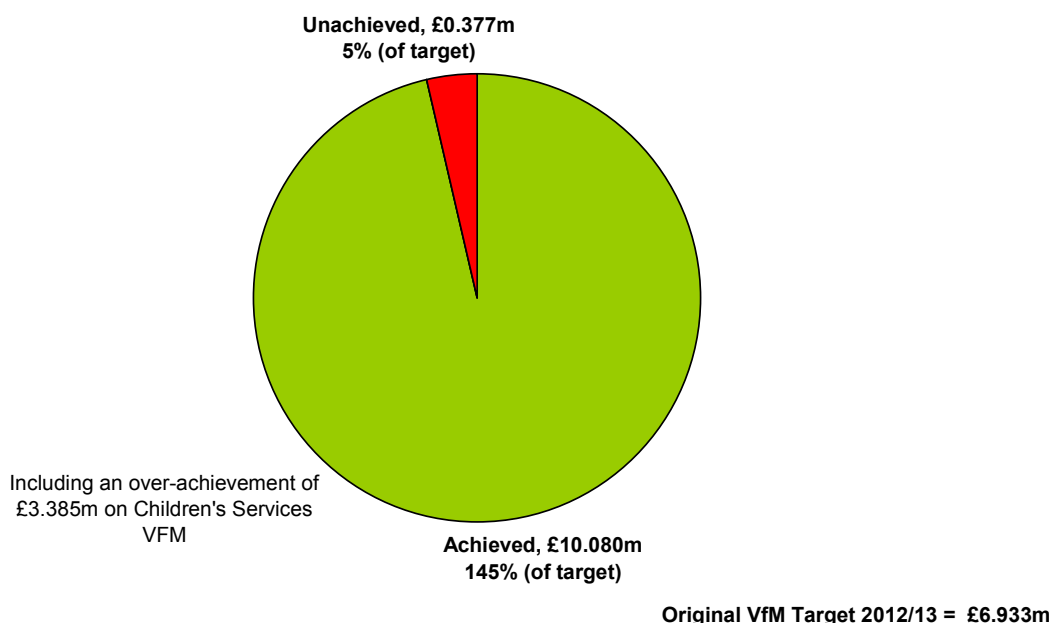
Carry Forward Requests

- 3.7 Under the council's Financial Regulations, the Director of Finance may agree carry forwards of up to £0.050m per member of the Corporate Management Team service area (up to a maximum of £1m in total) if it is considered that this incentivises good financial management. A total of £0.400m has been agreed for 8 of the service areas due to their significant contribution to the overall underspend.
- 3.8 Policy & Resources approval is required for carry forward requests in excess of £0.050m. These total £4.806m and have been included in the outturn figures above. An analysis of this is provided in Appendix 2.
- 3.9 The non grant funded element of this totals £2.873m and a detailed breakdown of this is provided in Appendix 2. These items have been proposed where funding *is* in place for existing projects or partnership working that crosses over financial years and it is therefore a timing issue that this money has not been spent in full before the year end.
- 3.10 The element relating to grant funding totals £1.933m. Under current financial reporting standards, grants received by the council that are unringfenced or do not have any conditions attached are now recognised as income in the financial year they are received rather than in the year in which they are used to support services. Prior to 2011/12 these unspent grants would have automatically rolled into the next financial year to fund the commitments against them but now they need to be agreed as part of the carry forward requests.
- 3.11 Within the total of £1.933m, a sum of £1.089m relates to the Dedicated Schools Grant. Under the Schools Finance Regulations, the unspent part of the DSG must be carried forward to support the schools budget in future years.

Value for Money (VfM) Programme

- 3.12 Throughout the year TBM reports have provided 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.
- 3.13 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 has quantified progress in terms of those savings that have been achieved, those that were anticipated to be achieved (i.e. low risk) and those that remained uncertain (i.e. higher risk). Those that were uncertain were given greatest attention and details of mitigating actions were given wherever possible. At outturn, the position becomes clearer with savings being either achieved or unachieved.
- 3.14 At outturn, total VfM Savings of £10.080m have been achieved against an original target of £6.933m, representing an over-achievement of 145%, mainly relating to an overachievement in Children's Services. An underachievement of £0.377m was experienced in relation to corporate VfM savings. A detailed breakdown of VfM savings is provided in Appendix 3.

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



Housing Revenue Account Performance (Appendix 1)

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

Forecast Variance Month 9 £'000		2012/13 Budget Month 12 £'000	Forecast Outturn Month 12 £'000	Forecast Variance Month 12 £'000	Variance Month 12 %
	HRA				
(1,000)	Expenditure	52,594	51,073	(1,521)	-2.9%
(304)	Income	(52,994)	(53,436)	(442)	-0.8%
(1,304)	Total	(400)	(2,363)	(1,963)	

NHS Controlled S75 Partnership Performance (Appendix 1)

- 3.16 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.

3.17 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 has been reported under TBM throughout the year.

Forecast Variance Month 9 £'000		2012/13 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(727)	Section 75 NHS Trust managed S75 Services	13,921	13,512	(409)	-2.9%

3.18 The outturn position shows that under the separate risk sharing arrangements, an underspend of £0.409m will contribute to the council's overall outturn position. This compares to a contribution of £0.300m forecast at budget setting time.

Capital Programme Performance (Appendix 4)

3.19 Capital programme performance needs to be looked at from 5 different viewpoints at the end of the year as follows:

- i) **Forecast Variance:** The 'variance' 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 4. 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.
- ii) **Budget 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.
- iii) **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 to Policy & Resources.

- v) **IFRS changes:** These accounting changes are necessary for the council to comply with International Financial Reporting Standards (IFRS) for the Statement of Accounts. This concerns the determination of items of expenditure as either capital or revenue expenditure. Only items meeting the IFRS definition of capital expenditure can be capitalised; expenditure not meeting this definition must be charged to the revenue account. This accounting exercise is undertaken as part of the closure of accounts process and therefore IFRS changes only appear in the outturn TBM report. Where significant changes have occurred an explanation is contained in Appendix 4.

3.20 The table below provides a summary of capital programme performance by strategic theme and shows that overall the programme has a provisional underspend of £2.286m which is detailed in Appendix 4. Also within Appendix 4 for each budget area there is a breakdown of the capital programme by Unit.

Forecast Variance Month 9 £'000	Capital Budgets	2012/13 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Outturn Month 12 %
(500)	People	13,810	13,305	(505)	-3.7%
(1,206)	Environment, Development & Housing	51,891	50,154	(1,737)	-3.3%
(37)	Communities	26	11	(15)	-57.7%
0	Resources & Finance	5,824	5,795	(29)	-0.5%
(1,743)	Total Capital	71,551	69,265	(2,286)	-3.2%

3.21 Appendix 4 also details any slippage into next year. In total, project managers have indicated that £2.920m of the capital budget has slipped into the next financial year and this equates to 4.08% of the final budget, maintaining slippage below the desired maximum of 5%.

Capital Programme Changes

3.22 Appendix 4 provides details of changes to capital budgets which are included in the budget figures above including details of variations, re-profiled schemes and slippage whilst Appendix 5 provides details of new schemes for 2013/14 to be included in the 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 9	93,830
Changes reported through other Committees (to be noted)	549
Reprofiling to Budget (to be approved – Appendix 4)	(18,098)
Slippage (to be approved – Appendix 4)	(2,920)
IFRS changes (to be noted – Appendix 4)	(1,810)
Total Capital Budget for Provisional Outturn	71,551

Implications for the Medium Term Financial Strategy (MTFS)

- 3.23 The council's current MTFS sets out resource assumptions and projections over a 6-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. Throughout the year this section has highlighted any potential implications for the current MTFS arising from in-year TBM monitoring, detailing any changes to financial risks together with any impact on associated risk provisions, reserves and contingencies.
- 3.24 The level of underspend on risk provisions and contingencies reported to Policy & Resources Committee and Full Council at TBM Month 9 contributed to a forecast underspend that was used to provide one-off resources to support the 2013/14 budget. The underspend on risks provisions and contingencies has increased by £0.180m since Month 9, contributing to the overall outturn underspend which remains close to the level of underspend forecast at Month 9. This means that the one-off resources forecast to be available at budget setting time have been achieved and no new one-off resources are required to support the approved 2013/14 budget.

Capital Receipts Performance

- 3.25 Capital receipts are used to support the capital programme. For 2012/13 a total of £3.053m capital receipts (excluding 'right to buy' sales) have been received in connection with the disposal of the Charter Hotel at Kings Road, Patcham Place and other properties related to the Workstyles value for money project.
- 3.26 The Government receives a proportion of the proceeds of 'right to buy' sales with a proportion required by the council to repay debt; the remainder is retained by the council and used to fund the capital programme. The total net usable receipts for 'right to buy' sales in 2012/13 is £0.975m including £0.609 available for replacement homes.
- 3.27 A total of £6.563m receipts from the housing Local Delivery Vehicle (LDV) have been received in 2012/13. The net receipts are ring-fenced to support investment in council owned homes.

Collection Fund Performance

- 3.28 The collection fund is a separate account for transactions in relation to national non domestic rates, council tax and precept demands. The forecast at Month 9 had been for a breakeven position at 31st March 2013 however the actual year

end position was a total surplus of £0.497m for which the council's share was £0.424m. This represents 0.35% of the total liability and resulted from a lower than forecast award of student exemptions and a lower level of bad debt provision needed.

- 3.29 The £0.497m surplus has to be used in calculating the collection fund forecast for 2013/14 at 15th January 2014 which will ultimately form part of the 2014/15 budget.

Comments of the Director of Finance (S151 Chief Finance Officer)

- 3.30 Financial performance in 2012/13 has remained strong overall with only a small number of pressure points, most of which have been addressed in setting the 2013/14 budget. The VfM programme has again achieved substantial savings to support the overall financial position for this year and next. The result is that the outturn position, after allowing for substantial carry forwards, remains close to that forecast at budget setting time (Month 9). This is important as this means that no additional one-off resources will need to be found to support the approved 2013/14 budget.

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: 16/05/2013

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: 16/05/2013

Equalities Implications:

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

Sustainability Implications:

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

Crime & Disorder Implications:

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

Risk and Opportunity Management Implications:

- 5.6 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 £4.201m. In addition, there is an underspend of £0.409m on the NHS managed S75 budgets which is the element retained by the council under risk sharing arrangements. As mentioned above and subject to approval, underspending will release one-off resources and carry forwards that can be used to help services manage the challenging budget savings required in 2013/14.

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. Carry Forward Requests
3. Value for Money Programme Performance
4. Capital Budget Performance
5. Capital Budget Changes (New Schemes)

Documents in Members' Rooms:

None.

Background Documents

None.

Appendix 1 – Revenue Budget Performance

People - Revenue Budget Summary

Forecast Variance Month 9 £'000	Unit	2012/13 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(3,461)	Commissioner - Children's Youth & Families	21,828	18,207	(3,621)	-16.6%
(330)	Commissioner - Learning & Partnership	2,811	2,246	(565)	-20.1%
43	Delivery Unit - Children's & Families	35,191	35,220	29	0.1%
(3,748)	Total Children's Services	59,830	55,673	(4,157)	-6.9%
(114)	Commissioner - People	1,088	1,039	(49)	-4.5%
(1,801)	Delivery Unit - Adults Assessment	47,610	45,452	(2,158)	-4.5%
529	Delivery Unit - Adults Provider	14,496	14,914	418	2.9%
(1,386)	Total Adult Services	63,194	61,405	(1,789)	-2.8%
(5,134)	Total Revenue - People	123,024	117,078	(5,946)	-4.8%

Explanation of Key Variances

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
Commissioner – Children, Youth & Families			
(3,569)	Corporate Critical - Children's Agency Placements	The final number of residential placements was 23.79 FTE. This is broken down as 20.46 FTE social care residential placements (children's homes), 3.03 FTE schools placements, 0.30 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 FTE substance misuse rehab placements. The number of placements remains very low compared with historic averages and it is not known whether this level of activity is sustainable. This is 12.71 FTE below the budgeted level creating an	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
		<p>underspend of £1.656m.</p> <p>The numbers of children placed in independent foster agency (IFA) placements, for the first time in several years has began 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). There were 185.78 FTE placements during 2012/13. This is considerably less than anticipated in the budget which is based on 206.50 placements resulting in an underspend of £1.259m.</p> <p>The final number of disability placements was 14.73 FTE with an average unit cost of £2,225. The number of placements was 2.88 FTE below the budgeted level. The average weekly cost of these placements was £83 lower than the budgeted level and the combination of these two factors together with an underspend of £0.044m on respite placements, resulted in an underspend of £0.454m.</p> <p>There were 0.87 FTE secure (welfare) placements and 1.22 FTE secure (justice) placements in 2012/2013. The budget allowed 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 two in a secure (criminal) placement resulting in an underspend of £0.200m</p>	
(52)	Other	Minor underspend variances	
Commissioner – Learning & Partnership			
(525)	Home to School Transport	There is an underspend of £0.525m which reflects the continued reduction in the numbers of children being transported as well as the favourable terms of the renegotiated contracts in the summer.	
(40)	Other	Minor underspend variances.	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
Delivery Unit – Children & Families			
(114)	Social Work Teams	The Social Work Teams underspent by £0.114m in 2012/13.	
91	Management & Administration VfM Savings	There was an overspend resulting from the shortfall in the Management and Admin VfM 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), had left a shortfall still to be found. During 2012/13 savings of £0.059m have been identified reducing the overspend to £0.091m .	This pressure has been managed within the overall approved budget resources for Children & Families in 2013/14 including available service pressure funding.
109	Care Leavers	The numbers of Unaccompanied Asylum Seeking Children leaving care and requiring financial assistance in 2012/13 was less than anticipated resulting in an underspend of £0.155m . This underspend was off-set by an overspend of £0.264m against the mainstream Leaving Care budget.	This pressure has been managed within the overall approved budget resources for Children & Families in 2013/14 including available service pressure funding.
(104)	Legal Fees	The underspend in Legal fees was made up of £0.017m underspend on independently commissioned social work and medical assessments and £0.087m underspend for legal/court fees. The underspend on independent assessments is due to the VfM programme to utilise the Clermont CPU team to undertake these assessments.	
107	Adoption Payments	The final position for adoption payments to out of authority providers shows a projected overspend of £0.167m . This is off-set by other adoption payments to individuals in Brighton and Hove underspending by £0.060m due to a reduction in allowances.	This pressure has been managed within the overall approved budget resources for Children & Families in 2013/14 including available service pressure funding.
103	In House Foster Payments	The overspend of £0.103m predominantly relates to an increase in Special Guardianship orders where 66 placements were budgeted for but by the end of the year there were 91	This pressure has been managed within the overall approved budget resources for Children & Families in

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
		placements.	2013/14 including available service pressure funding.
(273)	Early Years	Mainly due to underspending on staffing with holding of vacant posts and increased income in nurseries.	
144	VfM In House Fostering	The overspend against this budget heading relates directly to the additional VfM posts agreed for 2012/13 - 0.6 FTE Practice Managers and 2.8 FTE Social Workers. A business case for this initiative was made and agreed as part of the VfM process.	This is an 'invest-to-save' item that is expected to generate greater VfM savings on the Children's Corporate Critical placement budgets in future. The posts have been provided for in the 2013/14 budget.
(34)	Other	Minor underspend variances	
Commissioner – People			
(49)	Commissioner - People	There is an underspend from savings against contracts.	
Delivery Unit – Adults Assessment			
see below	Assessment Services	Assessment Services are reporting an underspend of £2.158m at outturn (representing 4.4% of the net budget), an improvement of £0.357m from Month 9. The underspend is split against client groups as follows:	
(442)	Corporate Critical - Community Care Budget (Older People)	Older People services are reporting an underspend of £0.442m, which is a continuation of the financial trends seen during 2011/12 and builds upon the success of re-ablement and other initiatives in delivering ongoing efficiencies. The underspend has reduced by £0.763m from Month 9, largely reflecting two one-off adjustments: i) a contribution to the Adult Social Care long term capacity reserve of £0.348m which is earmarked for proposed conversion works at Craven Vale as approved by Policy & Resources Committee on 24 January 2013, and ii) a contribution to capital of £0.250m to fund ASC vehicles, as approved by Policy & Resources Committee on 14 February 2013. There was also an increase in actual homecare costs at	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
		year-end due to an issue with the recording of variations in packages of care which will be reviewed for forecasting purposes in 2013/14.	
(1,647)	Corporate Critical - Community Care Budget (Learning Disabilities)	Learning Disabilities are reporting an underspend of £1.647m due mainly to the full year effect of management decisions taken during 2011/12 and the successful re-negotiation of contracts and the improved identification of appropriate funding streams. The improvement of £0.611m from Month 9 is largely a result of changes in need for 5 placements where funding has transferred to health and which were previously assumed to be a cost against the community care budget (approx. £0.300m). The associated commitments and growth have not yet materialised as expected.	
34	Corporate Critical - Comm. Care Under 65's	Under 65's are showing a small overspend of £0.034m, which is an improvement of £0.152m from Month 9 reflecting a reduction in expected demand and further savings made against the financial recovery plan.	
(103)	Support & Intervention Teams	The underspend is largely from vacancy management savings achieved across the service.	
Delivery Unit – Adults Provider			
418	Provider Services	Provider Services are showing an overspend of £0.418m (representing 2.9% of the net budget) which is an improvement of £0.158m from Month 9. The overspend is mainly from the shortfall in 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 Adult Care & Health Committee, with a further proposal accepted at the September meeting of the Committee and a delay in developing proposals on day activities. The improvement over Month 9 relates to an improved level of non residential client contributions which has helped mitigate the shortfall in delivery of budget strategy savings.	This pressure will be managed in 2013/14 as proposals for Learning Disability Accommodation were approved in September 2012.

Appendix 1 – Revenue Budget Performance

Environment, Development & Housing - Revenue Budget Summary

Forecast Variance Month 9 £'000	Unit	2012/13 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
660	Transport	(5,223)	(4,437)	786	-15.0%
3	City Infrastructure	22,288	22,282	(6)	0.0%
26	City Regeneration	969	1,031	62	6.4%
50	Planning & Public Protection	4,271	4,787	516	12.1%
739	Total Non Housing Services	22,305	23,663	1,358	6.1%
307	Housing	14,022	14,374	352	2.5%
1,046	Total Revenue - Environment, Development & Housing	36,327	38,037	1,710	4.7%

Explanation of Key Variances:

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
Transport			
404	Corporate Critical – Parking Operations	There is a shortfall in the level of on street pay and display revenue against projected income leading to an overspend against budget of £0.922m. There was a clear pattern of poor weather which had a particularly negative impact on the on-street parking revenue. In addition, there has been a continued migration away from cars to bus and cycle use. Car users switching from two hour stays to one hour stays may have also contributed to revenue collection. An extension to the period of refurbishment at	The London Road off street car park achieved additional income of £0.214m. Permit income achieved a surplus against budget of £0.213m. There is also a net underspend of £0.021m on Blue Badge permits. Vacancy management savings have contributed a further £0.051m underspend. A reduction in the level of bad debt provision required on Penalty Notices has contributed £0.248m to the overall position. Contributions from NCP for the two leased car

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		<p>Trafalgar Street and Regency Square has reduced the income capacity by £0.396m, and a shortfall in the level of income at the HRA High Street car park caused a pressure of £0.016m.</p> <p>The Lanes car park has underachieved on its income budget by £0.076m. Provision for an unresolved dispute over insurance invoices at the Lanes Car Park has led to an additional overspend against budget of £0.060m.</p> <p>A provision for Pavilion Buildings 'dilapidations' of £0.045m has been made.</p>	<p>parks has lead to surplus income of £0.043m. A review of the complex data upon which the forecast for PCN's is based identified an improved forecast which has identified additional income of £0.077m.</p> <p>Efficiencies in the removals service and enforcement contract variations led to expenditure savings of £0.154m.</p> <p>Trafalgar Street and Regency Square underspent on their revenue maintenance and electricity budgets by £0.080m owing to the capital programme in year. There were other minor underspends of £0.021m.</p> <p>The budget for 2013/14 has been significantly adjusted and service pressure funding of £0.310m to support approved changes to parking tariffs.</p>
396	Highways	<p>Routine repairs and Planned Maintenance are overspent by £0.248m. This was due to the impact of a wetter than anticipated summer and colder winter.</p> <p>Safety Maintenance – Traffic Signals overspent by £0.146m. This is due to a wider range of sites and equipment being maintained and ageing equipment that required priority maintenance.</p>	<p>Efforts have been made to try and identify areas where underspends can be achieved in order to offset the pressures identified. One off funding of £0.100m is included in the 2013/14 budget proposals for the establishment of a road works permit scheme. This should contribute to reducing this pressure through ensuring better quality and more co-ordinated repairs. In addition there is further capital funding for road maintenance which should begin to address the deficit for minor road repairs.</p>
64	Highways Engineering	<p>This is due to the Highways Engineering & Projects Team being unable to recharge certain costs to capital projects. In addition, further staffing cost was incurred to cover priority projects and</p>	<p>Consideration is being given to the implications of advice given on cost recharging to transport capital budgets in 2013/14.</p>

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		workstreams at risk due to a long term absence from work. In total an overspend of £0.112m was incurred. This was partially offset by underspends on Coast Protection, Preventative Highways Maintenance and Bridges and Other Structures totalling £0.049m.	
(78)	Various	Minor underspends across other transport services.	
City Infrastructure			
(22)	City Clean	Minor Underspends	
16	City Parks	Shortfall in the level of income from Roedean and Rottingdean mini golf courses (£0.034m) and grounds maintenance (£0.032m). Underspend of £0.070m on Park Rangers.	
City Regeneration			
61	Economic Development	Various small overspends.	The position will be managed in 2013/14 now that this new team has an established cost base.
Planning & Public Protection			
425	Development Planning	This mainly relates to an overspend of £0.456m in Development Control. Of this, £0.342m has been caused by a shortfall in planning fees which is largely explained by the absence of three major planning applications that did not materialise by the end of 2012/13 which had reasonably been expected to come forward. At the beginning of the year, a planning application for the redevelopment of City College had been expected and it was anticipated that at least two other significant, major planning applications would be submitted and validated prior to end of March 2013. The remaining variance was largely due to a higher proportion than anticipated of low value applications which generate significant workload	The lessons from 2012/13 have been considered in relation to forecasting for the 2013/14 budget, particularly in relation to income.

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		but less income. There was also an overspend on agency staff (reported at Month 9) of £0.050m and supplies and services of £0.032m.	
91	Public Protection	The main cause of the deficit was unachieved income of approximately £0.060m arising from pest control and £0.030m across other licensing services. Pressures on income budgets, particularly pest control became apparent as a result of the wet Summer and were planned to be mitigated with savings in other budget areas such as staffing and supplies and services in Trading Standards. However the level of income shortfall was even higher than anticipated, particularly in Pest Control and Taxi Licensing where the shortfalls increased by £0.042m and £0.038m respectively.	The situation will be closely monitored from the start of 2013/14 and earlier mitigation action taken if last year's trends continue.
Housing			
2	Corporate Critical Temporary Accommodation & Allocations	Temporary Accommodation has improved by £0.080m over Month 9 which is mainly due to improved rent collection on leased properties, management of spot purchase accommodation through prevention and tighter void management in leased properties and vacancy management.	
106	Corporate Critical Local Delivery Vehicle (LDV)	The Local Delivery Vehicle position has increased by £0.056m from Month 9. The pressure from the increase of 3.2% on the contract price and Local Housing Allowance (LHA) identified at Month 9 has been managed within the agreed tolerances in the contract due to rent collection rates. The overspend of £0.106m is due to provisions for bad debt on Insurance Invoices and Rent Guarantees for 2013/14 which in accounting terms needed to be provided for in 2012/13.	For 2013/14 a provision for the Rent Guarantee of £0.083m has been provided but is chargeable to the 2012/13 accounts. Every effort will also be made to minimise bad debts and bad debt provisions to further improve the position next year.

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
96	Housing & Social Inclusion	The pressure of £0.223m as identified at Month 9 was due to trespassers moving on to the Horsdean Transit site with expected increased costs for facilities, security and remedial work. The pressure has reduced due to quicker than anticipated eviction of trespassers resulting in lower costs of clearance and legal work. Project works for security and fire precautions have not yet commenced due to unforeseen complications for contractors.	Service pressure funding has been provided within the approved 2013/14 budget to mitigate increased costs.
184	Housing Support Services	Housing Support Services are showing an overspend of £0.184m (representing 6.80% of the gross budget) which is an increase of £0.142m from Month 9. This is mainly due to the increase in vulnerability of clients in hostels, which has meant that more staff have been employed to ensure the services are running safely to meet clients needs. Also there has been an increase in rent costs in one of the hostels due to a delay on completion of major refurbishment works undertaken by the landlord as part of a reconfiguration of the service.	This pressure will be managed within the service pressure funding of £1.000m approved by the Council for 2013/14 to accommodate a range of increased demands relating to homelessness.
(143)	Lead Commissioner	The underspend of £0.143m is due to over-achievement of VfM Management & Admin savings and savings against budgeted pension contributions. The improvement of £0.025m from Month 9 relates to funding that was identified for projects now being used to offset pressure against other services within Housing.	
107	Other Housing	There is an overspend of £0.107m across Homelessness, Housing Strategy and Development, Private Sector Housing and Supporting People which is an increase of £0.078m over Month 9. The main changes are within Homelessness where the provision of	As above, this pressure will be managed within the service pressure funding of £1.000m approved by the Council for 2013/14 to accommodate a range of increased demands relating to homelessness.

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		<p>additional funding for existing commissioned services has enabled us to build capacity and enhance services for rough sleepers and street drinkers to meet current service pressures. This has been partially offset by over-achieved Occupational Therapy fees in Private Sector Housing owing to a high volume of grants completed at year end.</p>	

Appendix 1 – Revenue Budget Performance

Communities - Revenue Budget Summary

Forecast Variance Month 9 £'000	Unit	2012/13 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
50	Commissioner - Communities & Equalities	3,019	2,947	(72)	-2.4%
155	Community Safety	2,231	2,388	157	7.0%
0	Commissioner - Sports & Leisure	1,368	1,217	(151)	-11.0%
30	Commissioner - Culture	1,947	1,946	(1)	-0.1%
437	Delivery Unit - Tourism & Leisure	3,065	3,450	385	12.5%
672	Total Revenue - Communities	11,630	11,948	318	2.7%

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
Commissioner – Communities & Equalities			
(72)	Community Development	The previously reported overspend has been offset by underspends across other initiatives whilst not impacting on the delivery of outcomes.	
Delivery Unit – Community Safety			
157	Community Safety	The overspend across Community Safety was due to an unachievable savings target of £79k in respect of the drugs and alcohol services and other budgetary pressures.	Actions are being successful in reducing allocations for 2013/14 in order to avoid future budget deficits. Confirmation is however still awaited of the transfer of funds from the PCC.
Commissioner – Sports & Leisure			
(151)	Sport and Leisure	The outturn position includes £0.155m in respect of a back-dated rates refund received in March 2013 relating to the King Alfred.	
Commissioner - Culture			

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
(1)	Culture	The previously reported overspend in respect of the contractual payment to the Dome for 2012/13 has been managed by underspends elsewhere.	Negotiations have been concluded regarding the inflationary clause for the next 3 year period which is in line with that used in the Medium Term Financial Strategy.
Delivery Unit – Tourism & Leisure			
382	Venues	The Venues overspend was mainly due to reduced bookings for entertainments of £0.352m, realisation of the impact of low levels of bookings made prior to the refurbishment of the venue for exhibitions and conference bookers of £0.050m, and the consequential reductions in the catering commissions of £0.050m. In addition, there were unavoidable costs incurred in respect of the venues internet services of £0.032m. These overspends have been reduced by vacancy management savings. The overspend has increased by £0.019m from month 9.	Action continues to be taken to secure further bookings and maximise future business opportunities. Conference bookings since January 2012, 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.
157	Royal Pavilion and Museums	This overspend is mainly made up of £0.138m due to the delay in the implementation of the security review and £0.209m underachievement across retail income targets and catering. These overspends have been reduced by increased admissions/functions income of £0.127m and vacancy management savings. The overspend has increased by £0.024m since month 9.	Consultation on the security review has been completed and was implemented in April. The new catering contractors have been in place since 4th March 2013. The retail function will be reviewed during the year.
(173)	Seafront Services, Tourism & Marketing	The outturn position is due mainly to an overachievement of seafront rental income of £0.117m as well as net additional rental income of £0.058m from seafront properties arising from back payment of a rent review.	
19	Other	Other minor variances	

Appendix 1 – Revenue Budget Performance

Resources & Finance - Revenue Budget Summary

Forecast Variance Month 9 £'000	Unit	2012/13 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
130	Delivery Unit - City Services	11,728	11,826	98	0.8%
(352)	Housing Benefit Subsidy	(752)	(1,165)	(413)	54.9%
8	Resources	19,537	19,540	3	0.0%
(30)	Finance	5,154	4,912	(242)	-4.7%
(244)	Total Revenue - Resources & Finance	35,667	35,113	(554)	-1.6%

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
Delivery Unit – City Services			
98	City Services	A budget contribution of £0.110m was made at the end of the financial year to increase the land charges claims provision, following a review of the latest position on expected claims and legal advice. Before this contribution, City Services underspent by £0.012m reflecting active management of the budget to help minimise emerging pressures.	
Housing Benefit Subsidy			
(413)	Corporate Critical - Housing Benefit Subsidy	The Housing Benefit budget has generated an additional £0.413m in subsidy. This is because local authority errors were held below the government threshold and therefore attracted additional subsidy.	
Resources			
231	Communications	Communications overspent by £0.231m, which was the result of lower than expected income from external revenue sources and staffing budget pressures.	The pressures in 2012/13 have been addressed as part of the budget setting process for 2013/14.
(28)	Human Resources	Human Resources finished the year with underspend of £0.028m	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		as a result of continued cost monitoring and income generation. The Human Resources Systems Thinking review is in the implementation phase; Transformation Funds are supporting the review, which is a lead review for developing an approach that can be deployed flexibly across the council, along with specific direct investment required to improve service efficiency.	
112	ICT	ICT had an income budget pressure income of £90k, which has been addressed as part of the budget for 2013/14. There was also an overspend of approximately £0.020m resulting from delays in the implementation of a new telephony system impacting on realising our VFM target in this area.	Service pressure funding was approved by the Council to meet the identified income pressure in 2013/14.
(155)	Legal & Democratic Services	A combination of improved income generation, one off receipts from court costs and project specific income from external sources have helped to contribute to the provisional outturn of £0.155m underspend.	
12	Policy, Performance & Analysis	Minor overspend	
(169)	Property & Design	The commercial rent forecasts were maintained despite the difficult economic climate for rental properties on the high street. This, together with fortuitous income has resulted in an underspend of £0.169m for Property & Design.	
Finance			
(242)	Finance	A small number of vacancies and lower than expected temporary cover costs have resulted in an underspend on the staffing budget. Audit Fees for the second half of the year have also been confirmed at a lower cost by the new external auditors, Ernst & Young. This has been reflected in savings proposals for 2013/14.	

Appendix 1 – Revenue Budget Performance

Corporate Budgets - Revenue Budget Summary

Forecast Variance Month 9 £'000	Unit	2012/13 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(428)	Bulk Insurance Premia	3,323	2,854	(469)	-14.1%
64	Concessionary Fares	9,696	9,776	80	0.8%
625	Capital Financing Costs	6,646	7,319	673	10.1%
0	Levies & Precepts	167	166	(1)	-0.6%
228	Corporate VfM Savings	(228)	0	228	100.0%
(1,026)	Risk Provisions	1,206	0	(1,206)	-100.0%
(16)	Other Corporate Items	(30,216)	(29,250)	966	3.2%
(553)	Total Revenue - Corporate Budgets	(9,406)	(9,135)	271	2.9%

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
Bulk Insurance Premia			
(469)	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. In addition, the underspend has increased due to a lower number of claims and a higher number of repudiations but has	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		been partially offset by a £0.158m contribution to the Insurance Fund. This was in respect of potential additional payments mainly relating to asbestos claims relating to the period prior to 1993 under the council's previous insurer.	
Concessionary Fares			
80	Concessionary Fares	A small overspend in relation to the net position of increased journeys and contracted services compared to the budgeted fixed price contract.	This is expected to be manageable within the overall budget resources in 2013/14.
Capital Financing Costs			
673	Capital Financing Costs	At Month 5 there was 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 became separate from other council borrowing. This had resulted in a greater element of the financing costs of the authority impacting on the General Fund than anticipated. Since then the forecast overspend has increased by £0.323m. The main reason (approximately £0.350m) for this is that the income from services paying for the costs of unsupported borrowing is less than budgeted due to capital schemes being reprofiled and this is only partly offset by additional investment income generated until the schemes go ahead. There are however corresponding savings within service budgets.	The 2013/14 budget includes approved commitment funding of £0.559m to accommodate the pressures identified on the Capital Financing Costs budget.
Corporate VFM Projects			
228	Corporate VFM Projects	A number of VFM projects relate to council-wide projects which deliver savings across many, if not all, service areas. The associated savings targets were shown under Corporate Budgets awaiting allocation to individual service budgets as and when savings were identified and/or confirmed. At the year end, there is an	Full details of VFM Programme performance and variances are given in Appendix 3. Service pressure funding has been provided within the approved 2013/14 budget to remove centrally held VFM targets where savings have already been reflected

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		underachievement of £0.251m against the central procurement VFM target, partly offset by an improvement of £0.023m against the Management & Admin VFM target. The underachievement is more than offset by savings on procurement activity achieved across services and retained within service budgets.	in service budgets.
Risk Provisions			
(1,026)	Risk Provisions & contingency	<p>There was a one-off risk provision of £1.000m and £0.266m of this was released to support the overall position. This is after providing £0.734m 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; • implementation of Information Commissioner's Office (ICO) recommendations; • additional legal costs for intellectual property rights; • support for school bus routes. <p>There was a permanent (recurrent) risk provision of £1.000m of which £0.760m has been released to provide one-off resources to support the overall position. The remaining £0.240m of this was allocated to the Communications budget to cover the shortfall in the advertising and sponsorship contract. From 2013/14 onwards £0.215m has been built into the budget for this.</p> <p>There was also a permanent risk provision of £0.863m for pay related matters, of which £0.078m has been allocated for Living wage requirements. The balance of £0.785m has been transferred to the Single Status</p>	Risk provisions and contingencies for 2013/14 are set out in the Revenue Budget report to Full Council on 28 February 2013.

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		<p>provision.</p> <p>An underspend of £0.180m has been achieved on the financing costs for the new Historic Records Centre. The budget projections assumed that capital funding would be assumed in 2012/13 and as this expenditure is funded from borrowing, the financing costs were set aside in contingency. It has now been confirmed that capital payments will not be made this year and no financing costs will be incurred.</p>	
Other Corporate Items			
720	Accounting Provision	<p>Increase in the accounting provision for bad debt. The 'Bad Debt Provision' is calculated using a standard methodology which has been accepted by the external auditor. The provision is based on a percentage of the value of debts outstanding at the balance sheet date (31 March). The percentages applied increase according to how old the debts are. The profile of the council's outstanding debts can change significantly from year-to-year for a wide variety of reasons but whilst this can therefore substantially increase or decrease the Bad Debt Provision each year, it does not follow that the council's debt collection performance is impacted. For 2012/13, the provision has increased due to a small number of high value invoices having been outstanding for over 5 months. It is unlikely that these will ultimately become bad debts but our methodology requires that a proportion of the value is regarded as such for accounting purposes. There has however been a trend of reducing 'property charges' in relation to Adult Social Care debts. These are where charges for Adult Social Care services are held against the value of a client's property until it is sold. These are normally</p>	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		discounted against the value of outstanding debts and their reducing value has therefore changed the profile of debt outstanding (i.e. increased it) and results in an increase of the Bad Debt Provision.	
256	Control Account Write off	Write off of unreconciled items on the payroll control account. This year-end write off is in accordance with the recommendations of the external auditor following the completion of the audit of the 2011/12 accounts, as reported in the auditor's Annual Governance Report (AGR) to the Audit & Standards Committee on 25 September 2012.	
(10)	Corporate Unringfenced Grants	Minor variances on corporate unringfenced grants.	

Appendix 1 – Revenue Budget Performance

Housing Revenue Account - Revenue Budget Summary

Forecast Variance Month 9 £'000	Housing Revenue Account	2012/13 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(313)	Employees	8,630	8,557	(73)	-0.8%
(605)	Premises – Repair	10,745	9,963	(782)	-7.3%
(223)	Premises – Other	3,711	3,356	(355)	-9.6%
(214)	Transport & Supplies	2,071	1,523	(548)	-26.5%
(51)	Support Services	1,981	1,873	(108)	-5.5%
6	Third Party Payments	105	106	1	1.0%
400	Revenue contribution to capital	20,030	20,430	400	2.0%
-	Capital Financing Costs	5,321	5,327	6	0.1%
	Subsidy	0	(62)	(62)	0.0%
(1,000)	Net Expenditure	52,594	51,073	(1,521)	-2.9%
(158)	Dwelling Rents (net)	(46,703)	(46,830)	(127)	-0.3%
(10)	Other rent	(1,246)	(1,370)	(124)	-10.0%
(176)	Service Charges	(4,152)	(4,340)	(188)	-4.5%
(19)	Supporting People	(465)	(482)	(17)	-3.7%
59	Other recharges & interest	(428)	(414)	14	3.3%
(304)	Net Income	(52,994)	(53,436)	(442)	-0.8%
(1,304)	Total	(400)	(2,363)	(1,963)	

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
Housing Revenue Account			
(73)	Employees	The service had reported a forecast underspend of £0.313m on employees at Month 9 due to management of vacancies while recruitment to the new Housing and Social Inclusion structure was being finalised. However, £0.247m of this underspend has been used to create a provision for payments to staff leaving as a result of the Voluntary Severance Scheme. This has resulted in a reduced underspend for the year of £0.073m.	
(782)	Premises Repairs	This underspend includes the following major variances: Responsive repairs have underspent by £0.408m due to the continuation of the policy to review responsive repairs within the context of the replacement programme. This has resulted in lower than expected values and numbers of repairs. There is a further underspend on the costs of gas servicing of £0.187m as a result of re- basing of the open book contract after the budget was set. Work to empty properties is also underspent by £0.245m as a result of fewer properties than budgeted becoming empty and the transfer of properties to Seaside Community Homes. There is also a £0.094m underspend relating to works to the Housing Centre and a further £0.064m underspend on fire risk works. These underspends are partly off-set by overspends on lift works £0.076m; door entry systems £0.089m and asbestos works £0.077m.	
(355)	Premises – other	Utility costs are underspent by £0.187m. This is due to budgets being based on a large proportion of estimated reads and actual consumption proved to be lower than these estimates. There are further underspends of £0.060m on decorating vouchers due to less properties being re-let in 2012/13 than anticipated; £0.045m on grounds maintenance and £0.058m on property insurance costs.	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
(548)	Transport and Supplies	The major underspends relating to transport and supplies are: £0.094m on the Transfer Incentive Scheme to tenants due to a reduced level of take-up; £0.104m on the contribution to bad debt provision which is based on the level of arrears at 31/3/2013; £0.179m on professional fees due to more utilisation of in-house staff; £0.084m on general office expenses.	
(108)	Support Services	This underspend relates to various support services from the General Fund that were budgeted for over and above the standard support service charges. The consolidation of some of these services into the standard support service charge as well as the restructure of Housing during the year has meant that these extra levels of service were not required during 2012/13.	
400	Revenue Contribution to Capital Outlay	This relates to an additional contribution to capital investment using revenue underspends to fund further investment in adaptations for Council tenants as reported to P&R Committee on 29 th November 2012.	This overspend is being funded by other underspends within the HRA.
(62)	Subsidy	This underspend relates to a recently notified refund of subsidy paid to the Council during 2012/13 as a result of the final audited claim in July 2012.	
(127)	Dwellings Rents	Rental income for 2012/13 is £0.127m (0.27%) more than budgeted due to a reduction in the number of long term empty properties now that many have been transferred to Seaside Community Homes.	
(124)	Rents - Other	The income received from non-dwelling rents for 2012/13 has exceeded the budget by £0.124m of which the majority is in relation to agreed charges for commercial properties for previous years.	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
(188)	Service Charge Income	Service Charge income from leaseholders has exceeded the budget by £0.296m largely as a consequence of more repairs works being carried out to leaseholders' properties during the last financial year thereby increasing the 2011/12 repairs service charge for leaseholders (billed in 2012/13). This is off-set by small amounts of under-recovery from various service charges totalling £0.108m caused in part by a reduction in the number of chargeable properties as they have transferred to Seaside Community Homes.	

Dedicated Schools Grant - Revenue Budget Summary

Forecast Variance Month 9 £'000		2012/13 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
	Dedicated Schools Grant (DSG)				
0	Individual Schools Budget (ISB) <i>(This does not include the £6.380m school balances brought forward from 2011/12)</i>	126,197	126,197	0	0.0%
0	Private Voluntary & Independent (PVI) <i>(Early Years 3 & 4 year old funding for the 15 hours free entitlement to early years education)</i>	6,979	6,979	0	0.0%
(367)	Central Schools Budget <i>(This includes £1.168m central underspend brought forward from 2011/12)</i>	17,000	15,911	(1,089)	-6.4%
0	Grant Income	(149,008)	(149,008)	0	0.0%
(367)	Net DSG Budget	1,168	79	(1,089)	-93.2%

Explanation of Key Variances

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
Central Schools Budget			
(309)	Educational Agency Placements / SEN Inclusion & Prevention	At budget setting it was estimated that there would be 61 placements. The final number of children in an educational agency placement was 58 which resulted in an underspend of £0.534m; this was offset by additional costs of £0.225m relating to SEN inclusion and prevention.	
(96)	Home to School Transport	The DSG element of Home to School has not been required as the overall General Fund position on Home/School transport is currently underspent.	
(139)	Carbon Reduction Commitment	Underspend resulting from initial budget being over estimated.	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
(112)	Admissions & Transport	Underspend on staffing costs (£0.064m) and non-staffing costs (£0.048m).	
(113)	School Improvement	This will be used by the Secondary Schools Partnership (SSP) over the rest of the 2012/13 academic year and will be a first call on the 2013/14 carry forward.	
(63)	Behaviour & Attendance	Underspend on staffing budget.	
(257)	Various	Other underspend variances	

Appendix 1 – Revenue Budget Performance

NHS Trust Managed S75 Budgets - Revenue Budget Summary

Forecast Variance Month 9 £'000	S75 Partnership	2012/13 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(601)	Sussex Partnership Foundation NHS Trust (SPFT)	11,485	11,169	(316)	-2.8%
(126)	Sussex Community NHS Trust (SCT)	2,436	2,343	(93)	-3.8%
(727)	Total Revenue - S75	13,921	13,512	(409)	-2.9%

Explanation of Key Variances

Key Variances £'000	Service	Description (Note WTE = Whole Time Equivalent)	Mitigation Strategy (Overspends only)
Sussex Partnership Foundation NHS Trust			
(316)	SPFT	Sussex Partnership Foundation NHS Trust (SPFT) finished the year with an underspend of £0.632m, which was a slight improvement from Month 9. The budget strategy savings target of £0.326m was fully achieved. On top of this, savings of £0.308m were achieved against the mainstream budget from robust vacancy management and tight budgetary control and a further £0.329m from the community care budget as a result of increased funding through the assessment process and a thorough review of all placements. There continue to be pressures against the Adult Mental Health Community Care budget from a lack of suitable accommodation, which has been highlighted as part of the budget process for 2013/14. In line with the agreed risk-share arrangements for 2012/13 the underspend has been shared 50/50 between SPFT and BHCC.	
Sussex Community NHS Trust			
(93)	SCT	Sussex Community NHS Trust (SCT) are showing an overspend of £0.146m against two services-ICES (£0.070m) from increased demand for equipment and Intermediate Care services (£0.076m) from staffing pressures. This is offset by the underspend against the HIV budget of £0.239m which is a continuation of the position from 2011/12 for services now managed by Assessment services. The net underspend is attributable to the council under the S75 arrangements.	

Carry forward Requests 2012/13

Strategic Area	Unit (Level 42)	Service Area	Reason	Amount £'000
Non Grant Areas				
People - Children	Commissioner - Children, Youth & Families	Individual Budgets	The individual budget pilot, which started in 2012/13, needs a longer lead in time. Some external factors relating to training available from In Control plus recruitment of families has taken longer than anticipated. This has resulted in a need for the pilot to be extended into 2013/14 and some unused resources in 2012/13.	75
People - Children	Commissioner - Children, Youth & Families	Independent Reviewing Officers	Request to carry forward £6k to 2013/14 in order that children's services and the independent reviewing services can advance plans to pilot voice activated software. The purpose of the pilot is to evaluate any productivity gains that may be achieved in terms of reducing the amount of time social workers spend at their computer. Our business case has been agreed and the pilot is due to start in April.	6
People - Children	Commissioner - Children, Youth & Families	Local Safeguarding Children's Board (LSCB)	The Child Workforce Development Council (CWDC) grant was not fully spent in 2012/13. The terms and conditions of the grant allow LSCBs to carry forward unspent grant to future years. The unspent amount of £15k is committed in 2013/14 for the implementation of a quality assurance framework as per the funding conditions of the grant.	15
People - Children	Delivery - Children & Families	Adaptations	Commitments made for adaptations to homes with disabled children where delays in progress of the work have resulted in completion of the project now being in 2013/14. A carry forward is requested.	38
People - Children	Delivery - Children & Families	Brightstart nursery	To complete some essential building work on the nursery and includes recommendations from a fire inspection to upgrade the electrics. Some unforeseen additional works have delayed the programme of work and caused additional costs.	20

People - Children	Delivery - Children & Families	Children In Need Team (CIN)	Funding secured for a substance misuse worker in 2012/13 cannot be committed until 2013/14 due to delays in recruitment.	15
People - Children	Delivery - Children & Families	Educational Psychology Service	To pay for the final year of a two year employment of 2 student Educational Psychologists placed with Brighton and Hove. They will undertake casework and carry out research. This project work is essential to obtain specific understanding of what was happening in individual schools and the protective factors which may result in different outcomes for pupils with similar risk factors. The project work is looking at better ways of working with troubled families and other risk factors such as SEN/Complex needs.	22
People - Adult	Commissioner - People	Commissioning - Adult Social Care	Balance of Department of Health funding to support joint social care and health projects continuing into 2013/14. Delays in approving some of the projects has resulted in an underspend in 2012/13. The carry-forward will enable these projects to continue and will help deliver on-going benefits to social care and health - in line with the conditions of the funding.	150
People - Adult	Delivery - Provider	Able & Willing	There have been delays in the ordering of the new vehicle required for Able & Willing. Firstly the need to ensure the vehicle has the correct specifications to ensure it is suitable for staff with disabilities has caused delays as it is important that the specification is correct. Secondly there have been some unavoidable management shortages due to delays in recruitment to a vacant post which have impacted on time available to progress this order. Able & Willing are continuing to use their old, inefficient vehicle but the number of drivers are limited due to lack of specific adaptations.	31
Environment, Development & Housing	Transport	Highways Engineering and Projects	Surface Water Action Management Planning Grant funding	605

Environment, Development & Housing	Planning & Public Protection	Planning Strategy	Balance of funding for City Plan examination (2012/13 £100k), examination of Plan due September 2013.	74
Environment, Development & Housing	Planning & Public Protection	Public Safety	Funding for Health Development programmes, refundable to PCT if not spent.	170
Environment, Development & Housing	Planning & Public Protection	Public Safety	Smoking cessation programme, refundable to PCT if not spent.	41
Environment, Development & Housing	Planning & Public Protection	Public Safety	Health Trainer programme, refundable to the commissioner if not spent.	76
Environment, Development & Housing	Housing	Homelessness	We have purchased IT modules from Locata for Housing Options and Homelessness. The system is due to go live at the end of April 2013, which has slipped from beginning of March 2013; we require a carry forward for implementation and for data cleansing.	12
Environment, Development & Housing	Housing	Homelessness	The Preventing Offender Accommodation Loss (POAL) project is a sub regional budget between Brighton & Hove, Lewes and Hastings Councils along with Lewes Prison. This is specific funding awarded by the Department of Communities & Local Government which we hold on behalf of our sub regional partners and will be required in the next financial year to reduce re-offending and to improve health, housing and social care for short-term prisoners with complex problems leaving HMP Lewes and returning to the city of Brighton & Hove.	62
Environment, Development & Housing	Housing	Private Sector Housing	Identified legal costs for the potential public enquiry relating to a compulsory purchase order on a property in Chester Terrace. There was £30k in this year's budget as the Public Enquiry was expected to take place this financial year. However, to be ultimately successful in pursuing the CPO the council needs to evidence that it has dealt reasonably with all issues raised by the other side.	28

			This has resulted in the enquiry not yet having taken place and only legal fees amounting to £2k have become due for payment in 2012/13.	
Environment, Development & Housing	Housing	Temporary Accommodation	Procurement of the Abritas rent accounting system for Seaside Homes properties and Bed & Breakfast. The system has been commissioned and is in the process of being developed but there was a delay in the project approval and specification of the system which means the implementation date has slipped from March 2013 to July 2013.	23
Communities	Commissioner - Communities & Equalities	Communities & Equalities	Underspend from financial inclusion strategy/commissioning due to delay in producing commissioning strategy. This funding is required for the agreed commission in 2013/14.	281
Communities	Commissioner - Communities & Equalities	Communities & Equalities	£20k of £40k allocated for diversity mentoring manager post (Sep 2012-Sept 2013). This funding is required to deliver the diversity mentoring programme as agreed with the workers' forums.	20
Communities	Commissioner - Communities & Equalities	Communities & Equalities	£10k income from CYP as forward funding for work for them by the communities and equality team in 2013/14. This funding is central to the 2013/14 CVSF commission.	10
Communities	Commissioner - Communities & Equalities	PPA - Communities & Equality	Underspend from delayed start in commissioning healthwatch. This funding is required in 2013/14 for the awarded commission.	82
Communities	Commissioner - Sport & Leisure		Carry forward requested to fund estimated operational budget in 2013/14 for Saltdean Lido during bid process; costs include further repair works, legal and professional fees. Underspend arisen mainly from anticipated finance charges not forthcoming.	65
Communities	Commissioner - Culture	Arts Programme budgets	White Night - Interreg scheme. Payments due to be finalised in 2013/14.	36
Communities	Commissioner - Culture	Arts Programme budgets	Various funds from external bodies such as Arts Council, South East England Development Agency (SEEDA),	39

			Section 106, Creative Partnerships not entirely spent this year. The timescales of expenditure link to the timescale for the various initiatives and programmes rather than the financial year end.	
Communities	Delivery - Tourism & Leisure	Sports Development	Active for Life - This needs led community engagement programme aims to deliver local, accessible sport and physical activity sessions in areas of deprivation. The funds to be carried over have been sourced from external partners, including Sport England and the NHS. The funding will provide bespoke opportunities to targeted priority groups such as older people, people with disabilities, Black and ethnic minority groups etc.	90
Communities	Delivery - Tourism & Leisure	Sports Development	TAKEPART - The Brighton & Hove Festival of Sport which is an annual event delivered by the Sports Development Team in partnership with 80 community clubs and groups. External funding is received by various partners and includes the NHS and Freedom Leisure. £17k requested to be carried forward for deliver of the 2013 events and activities.	17
Resources	Human Resources	Workforce Development	Social Work Improvement Fund - There is a Memorandum of Understanding (MOU) linked to this funding. It must be spent on support and capacity building for frontline social workers and managers and improvement of social work practice/service delivery. Relates to unspent funding carried forward from 2011/12.	138
Resources	Human Resources	Workforce Development	Assessed & Supported Year in Employment (ASYE) for Adult's Services.	6
Resources	Human Resources	Workforce Development	Early Professional Development (EPD) for Children's Services - an amount per social worker who has completed ASYE (Assessed & Supported Year in Employment) to support their EPD (Early Professional Development) in their second and third years post-qualifying.	15
Resources	Human Resources	Workforce	Neglect - policy development, implementation, training &	50

		Development	support. This is linked to Ofsted recommendations and we are anticipating an inspection of the service in June 2013.	
Resources	Human Resources	Workforce Development	Supervision Policy Review, implementation, training & support. Work slipped due to senior management capacity constraints. Therefore, £50k will need to be carried over to progress this delayed work in 2013/14 and will involve communications and training across the entire service.	50
Resources	Human Resources	Workforce Development	Salaries to create capacity/resource to support SWIF/Transformational workstreams. Only £12k of £35k budget spent as resourcing needs did not materialise because progress on workstreams (above) delayed. We will need to support additional resourcing in 2013/14 and will use this money to provide workforce development support for the programme during 2013/14.	23
Resources	Policy, Performance & Analysis	Partnerships and External relations	This is funding allocated by the Public Services Board (PSB) to support shared service work that is being rolled forward into 2013/14.	23
Resources	Policy, Performance & Analysis	Partnerships and External relations	This is funding from partners' contributions to support the Local Strategic Partnership (LSP) in 2013/14.	55
Resources	Policy, Performance & Analysis	Policy Development	To be used to support the partnership refresh of the Sustainable Community Strategy in 2013/14.	20
Resources	Policy, Performance & Analysis	Policy, Performance & Analysis	Underspend of £90k from the postponement of work to support the development of the Needs Analysis Framework and Commissioning Performance Management frameworks. Resources will now be used to refresh the Performance and Risk Management Framework and support key needs assessment work in the city, including the Black & Minority Ethnic (BME) programmes.	90
Resources	Policy, Performance & Analysis	Policy, Performance & Analysis	Request for carry-forward to allow the creation of PSB Discretionary Pot from overall underspend	80
Resources	Property & Design	Commercial Portfolio - New England House	Ring-fence of the underspend on service charges for New England House essential maintenance.	220

Total Non-Grant Areas	2,873
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Grant Funded Areas				
People - Children	Commissioner - Children, Youth & Families	Stronger Families Stronger Communities (SFSC)	The Stronger Families Stronger Communities (SFSC) programme started in April 2012 and is Brighton & Hove's response to the national Troubled Families initiative. The programme aims to reduce anti-social behaviour, improve educational attendance and reduce worklessness. The target is to work with 675 families over a 3 year period. Because of the time required to set up the delivery team (Integrated Team for Families ITF) mainly the recruitment and start of the family coaches, there is an underspend of £593k. The funding source provided by DWP has no restrictions on carrying forward of any underspend. A carry forward request is made for this underspend as without this funding, B&H City Council will be unable to meet the Government target of supporting 675 families. Also, the funding is needed to ensure the team is as effective as possible with purchasing of expert advice as needed and therefore is able to maximise 'payment by results' element.	591
People - Children	Commissioner - Learning & Partnership	Dedicated Schools Grant (DSG)	Under the Schools Finance Regulations the unspent part of the DSG must be carried forward to support the Schools Budget in future years.	1,089
Env, Dev & Hsg (Place)	City Regeneration	Economic Development	The Portas Pilot funding from DCLG was planned to be spent across several financial years. The Brighton London Road Town Team is one of 27 out of over 400 applicants to receive Portas Pilot status, and whilst we hold the money, the partnership responsible for the project includes businesses, residents, education providers and support organisations. If the grant funding is not retained then the consequences in terms of relationships with these stakeholders, the local media and central Government	83

			could be serious. It is also likely that central Government would request that we return the grant funding; hence it is essential that funding is carried forward.	
Env, Dev & Hsg (Place)	Housing	Private Sector Housing	Unspent Warm Homes Healthy People Funds (demand for certain areas of project did not meet projected levels).	5
Resources	Human Resources	Workforce Development	Social Work Improvement Fund - Funding must be spent on support and capacity building for frontline social workers and managers and improvement of social work practice/service delivery.	10
Resources	Human Resources	Workforce Development	ASYE for Children's Services - To support the implementation of the Assessed & Supported Year in Employment development and support programme for newly qualified social workers (NQSW's) in Children's Services. Funding is calculated by DfE as an amount per NQSW.	41
Resources	Human Resources	Workforce Development	Daily Placement Fees - A fee paid to social work placement providers for providing placements for social work students. This is claimed on behalf of placement providers by Higher Education Institutions (HEI's) (University of Sussex, University of Brighton and Open University) and then passed on to placement providers.	56
Resources	Human Resources	Workforce Development	Grant income received in last week of March from Department for Educational and linked to newly qualified social worker programme and trainee social worker programme. To be spent in 2013/14.	58
Total Grant Areas				1,933
Total Carry Forward Requests				4,806

Value for Money Programme Performance

Projects	Savings Target £m	Achieved £m	Unachieved £m	Achieved %
Adult Social Care	1.172	1.311	0.000	111.9%
Children's Services	0.301	3.686	0.000	1224.6%
ICT	0.361	0.341	0.020	94.5%
Procurement *	1.341	1.341	0.000	100.0%
Procurement (2011/12)	0.355	0.104	0.251	29.3%
Workstyles	0.270	0.270	0.000	100.0%
Systems Thinking/Process Efficiencies *	0.500	0.476	0.024	95.2%
Management & Admin	2.358	2.276	0.082	96.5%
Additional Management Savings 2012/13	0.275	0.275	0.000	100.0%
Client Transport	0.000	0.000	0.000	0.0%
Total All VFM Projects	6.933	10.080	0.377	145.4%

* These savings are retained by the service areas in which they occur.

Explanation of 'Uncertain' VfM Savings:

Key Variances £'000	Description	Mitigation Strategy for Uncertain Savings
ICT		
20	There is a small underachievement relating to Telephony provision where anticipated savings were not 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 in 2013/14.
251	Procurement savings are being achieved across services but it is often difficult to identify the cashable versus non-cashable elements of any saving i.e. price changes compared to volume changes compared to original contract budgets. This makes identifying the share of savings between corporate budgets and service budgets difficult and it has not	Service pressure funding has been provided within the approved 2013/14 budget to remove centrally held VfM targets where savings have already been reflected in service budgets.

Key Variances £'000	Description	Mitigation Strategy for Uncertain Savings
	<p>been possible to identify further savings that could be taken corporately. This residual corporate target dates back to 2011/12.</p> <p>This does not however mean that procurement savings are not being achieved, simply that they are occurring and are retained within services e.g. Home to School Transport. It is currently anticipated that Procurement savings of £1.341m will be achieved across the council, including corporate savings. Recognising this problem, all future procurement savings will be identified and retained within services and presented within the relevant service's savings proposals where appropriate.</p>	
82	<p>The position with regard to Management & Admin savings was reported previously and risk provision of £0.105m was released to address the position. However, an improvement of £0.023m has reduced the expected shortfall.</p>	<p>The position has been mitigated through the use of risk provisions.</p>
24	<p>Similarly to procurement savings, efficiency savings arising from Systems Thinking (or Business Process Improvement) reviews are retained by services. Savings of £0.500m were anticipated in the 2012/13 budget but at outturn savings of £0.476m have been identified across the areas of Revenues & Benefits Admin, Libraries and Financial Services resulting in a small underachievement.</p>	<p>Savings are retained by services as and when achieved and are therefore treated as 'non-cashable'. There is therefore no forward impact from the unachieved amount.</p>

Appendix 4 – Capital Programme Performance

People – Capital Budget Summary

Forecast Variance Month 9 £'000	Unit	2012/13 Revised Budget £'000	Approved at other Meetings £'000	IFRS / Other Changes £'000	Variation, Slippage or reprofile £'000	2012/13 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(500)	Commissioner - Learning & Partnership	22,812	0	(688)	(8,956)	13,168	12,666	(502)	-3.8%
0	Delivery Unit - Children's & Families	424	(150)	0	(168)	106	105	(1)	-0.9%
(500)	Total Children's Services	23,236	(150)	(688)	(9,124)	13,274	12,771	(503)	-3.8%
0	Commissioner - Adult Services	476	0	0	(264)	212	211	(1)	-0.5%
0	Delivery Unit - Adults Provider	181	0	2	(43)	140	140	0	0.0%
0	Delivery Unit - Adults Assessment	269	0	(36)	(49)	184	183	(1)	-0.5%
0	Total Adult Services	926	0	(34)	(356)	536	534	(2)	-0.4%
(500)	Total People	24,162	(150)	(722)	(9,480)	13,810	13,305	(505)	-3.7%

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

Detail Type	£'000	Project	Description	Mitigation Strategy
Commissioner – Learning & Partnership				
IFRS/ Other	(688)	Various	Please see paragraph 3.19 (v) of the main report for a general explanation of IFRS changes. For the refurbishments within school buildings some of the costs are of a day-to-day servicing nature and are not capital expenditure. It would be	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			impracticable for an authority to assess every item of expenditure when it is incurred as to whether it has enhanced an asset. The practical situation is instead that at the year end an assessment is made by programme managers and finance to make sure that expenditure is correctly classified as capital or revenue. The capital budgets are reduced by the same amount as the items that are subsequently charged to revenue.	
Reprofile	(2,197)	New Pupil Places	This budget is for the acquisition of the Hove Police Station site which has been completed in 2013/14.	
Reprofile	(109)	Devolved Formula Capital	Devolved Formula Capital is a financial resource that is devolved to schools by the Local Authority. Part of the terms of this grant provides schools the option to accrue the money for a maximum of 3 years. These accrued funds are normally retained by the Local Authority. The outstanding balances represent the funds that schools have chosen not to take this year. These outstanding budgets are to be carried forward and made available to the relevant schools in 2013/14.	
Reprofile	(716)	Brighton Aldridge Community Academy (BACA)	In relation to the construction of the BACA, the council is holding a final retention amount in lieu of defects being resolved. A meeting is being held with the contractor and the Academy at the end of this month in order to discuss defects resolution, financial responsibility for future repairs and the resulting final payment. The remaining budget needs to be brought forward to 2013/14 to cover this expenditure.	
Reprofile	(5,764)	Portslade Aldridge Community Academy (PACA)	The Portslade Community Academy budget is on target as shown in the most recent financial statement from the contractors. The elements for project support funding and ICT Hardware remain on target to meet the original estimates. The budget is needed in the new financial year.	
Slippage	(64)	Carlton Hill S106 Works	A condition was placed on the Amex development under Section 106 which set out a £0.120m sustainability contribution. The 'sustainability project' was to locally offset carbon emissions from the proposed development by the provision of	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			an energy efficient heating system for Carlton Hill Primary School. The Authority has commissioned the replacement of the existing boiler with a new gas condensing boiler. This also necessitated some upgrading of the gas supply, plus associated professional fees. The balance of the budget is to be carried forward for the scheme.	
Slippage	(106)	Various	Hove Park School ICT Hardware (£0.031m), Primary capital Programme (£0.008m), Whitehawk Co-location (£0.018m), Capital Maintenance (£0.025m) & Structural Maintenance (£0.024m).	
Variance	(0.502)	Whitehawk Co-Location	The various major components of the Whitehawk Co-Location project completed successfully in 2011/12. Final costs for building and demolition work have now been agreed. Following occupation, some modest additional work, plus furniture and equipment, are needed. The project as a whole has been delivered at a lower total cost than the initial bid proposal. A request to reprofile £0.500m to New Pupil Places in 2013/14 to assist with the provision of primary places in Hove and Portslade was approved at month 9 (see approved at other Committees).	
Commissioner – Adult Services				
Reprofile	(250)	ASC Vehicle Procurement	The vehicles were ordered in 2012/13 but production of the vehicles has been delayed due to industrial action in Holland with an expected delivery date in May/June 2013.	
Reprofile	(14)	Various	Cromwell Road Basement Development (£0.014m).	
Delivery Unit - Children's and Families				
Budget Variation	(150)	Short breaks for Disabled Children	Local authorities are required to provide a short breaks service designed to assist individuals who provide care for children with disabilities. There are two items to report here: 1) A budget variation is required for match funding for the Level Heritage Lottery Funded scheme of £0.150m (along with £0.050m from revenue) which has been transferred to	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
Slippage	(93)		<p>City Infrastructure for the Level Heritage Lottery Fund project (see City Infrastructure under Environment, Development & Housing).</p> <p>2) Delays can occur due to the complexity of assessment for adaptations and slippage has resulted on the remaining capital budget.</p>	<p>In relation to slippage, the plans for using this budget in 2013/14 are as follows:</p> <ul style="list-style-type: none"> • £0.007m independence training materials; • £0.010m publications and directories of short break services; • £0.020m specialist equipment; • £0.056m adaptations for a new short breaks facility.
Reprofile	(75)	Various	Turner Lift Project (£0.009m), Children's Social Services (£0.049m), 55 Drove Road new vehicle (£0.017m).	
Delivery Unit – Adult's Provider				
IFRS/ Other	2	Beach House Adaptations	Beach House Adaptations (£0.002m).	
Reprofile	(43)	Various	Telecare Provider (£0.024m) & Learning Disability Accommodation (£0.019m).	
Delivery Unit – Adults Assessment				
IFRS/ Other	(36)	Various	Adaptations for the disabled (£0.036m) transfer to Housing General Fund Major Adaptations.	
Reprofile	(49)	Adaptations for the disabled	A carry forward (reprofile) for Adaptations for the Disabled of £0.049m is requested.	

Appendix 4 – Capital Programme Performance

Environment, Development & Housing – Capital Budget Summary

Forecast Outturn Month 9 £'000	Unit	2012/13 Revised Budget £'000	Reported At other Meetings £'000	IFRS / Other changes £'000	Variation, Slippage or reprofile £'000	2012/13 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
0	Transport	12,281	0	10	182	12,473	12,540	67	0.5%
0	City Infrastructure	4,283	200	0	(614)	3,869	3,960	91	2.4%
0	City regeneration	434	0	(235)	(140)	59	59	0	0.0%
0	Planning, Public Protection	18	0	0	(18)	0	0	0	0.0%
0	Total Non Housing Services	17,016	200	(225)	(590)	16,401	16,559	158	1.0%
(300)	Housing (General Fund Capital)	6,640	499	26	(1,546)	5,619	4,703	(916)	-16.3%
(906)	Housing (HRA Capital)	31,343	0	358	(1,830)	29,871	28,892	(979)	-3.3%
(1,206)	Total Housing	37,983	499	384	(3,376)	35,490	33,595	(1,895)	-5.3%
(1,206)	Total Place	54,999	699	159	(3,966)	51,891	50,154	(1,737)	-3.3%

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

Detail Type	£'000	Project	Description	Mitigation Strategy
Transport				
IFRS/ Other	10	Street Lighting	Garden lantern costs within the Pavilion Gardens have been provided by the Street Lighting section. A budget transfer was agreed from the Commissioner - Sports and Leisure to cover these costs.	
Reprofile	(302)	Local Transport Plan (LTP)	The LTP capital programme came in on budget overall with the exception of the recently approved urgent structural work on the seafront arches. The reconstruction of the seafront arches is a complicated task	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			due to their location and the way they were originally built. As this was only recently approved it needs to be carried forward to complete the works programme on time.	
Reprofile	(4)	Brighton Marina to River Adur study	Brighton Marina to River Adur study (£0.004m)	
Reprofile of overspend	488	Ex Leased car Parks	This is a temporary overspend in 2012/13 that will be fully met from planned resources in 2013/14.	
Variance	67	Various	There is an overspend of £0.067m on this budget including the Better Bus Areas £0.015m, London Road & Lanes car park £0.007m, Falmer Infrastructure Works £0.012m, Controlled Parking Scheme £0.001m & Local Sustainable Transport Fund £0.032m.	The overspend will be met by either revenue or grant funding.
City Infrastructure				
Budget Variation	200	Heritage lottery Fund – the Level	Match funding from the short breaks for disabled children scheme of £0.150m (along with £0.050m from revenue) was transferred to City Infrastructure for the Level Heritage Lottery Fund project (see Delivery Unit – Children & Families).	
Reprofile	(51)	Hollingdean Depot	There have been delays on the Hollingdean Depot scheme due to: <ul style="list-style-type: none"> • A dispute with the contractors over quality of the work carried out; which has only just been resolved. • Demolition delayed due to delay in staff leaving the site. 	
Slippage	(942)	The Level Heritage Lottery Fund & skate park	The Level Skate Park and the construction of the landscape works are ahead of schedule but the café element is behind	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			schedule leading to slippage on the spending profile.	
Reprofile	(211)	Various	Reprofiling of various small schemes is requested including: Vale Park Portslade Improvements (£0.023m), Saunders Park Playground (£0.025m), Queens Park Playground (£0.014m), St Anne's Wells Gardens (£0.016m), Turner Park (£0.011m), Stoneham Recreation Ground (£0.035m) Knoll Recreation Ground (£0.039m), Saltdean Play (£0.020m) and Stoneham Park (£0.028m).	
Reprofile	(207)	Downland Initiative	This budget is now needed in 2013/14 partly as match funding with the South Downs National Park to facilitate the new open access area adjacent to Stanmer Park. The rest will be used by the council as a capital contribution to the Higher Level Scheme funding for the management of our chalk grassland.	
Reprofile of overspend	797	Procurement of vehicles & purchase of vehicles for City Parks	The vehicles procurement within City Infrastructure is ahead of the plan. This was to take advantage of favourable procurement opportunities and improves the long term value for money of the fleet.	The additional expenditure on vehicles in 2012/13 will be carried forward and netted off the Replacement of Vehicles scheme in 2013/14 of £2.400m already approved by Members and included in the capital programme.
Variance	139	Bexhill Road Skate park & Hollingdean Skate park	There are small overspends on the Bexhill Road skate park of £0.068m and Hollingdean skate park of £0.071m.	Both overspends have been funded from available revenue budget.
Underspend	(48)	Various	Underspends on various schemes of under (£0.050m).	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
City Regeneration				
IFRS/ Other	(235)	Various	Please see paragraph 3.19 (v) of the main report for a general explanation of IFRS changes. For major projects there is a watershed for capitalisation between the feasibility stage and the development stage of a project. In the feasibility stage, an authority is considering possible strategies for addressing a service issue and options that might be implemented. In the development stage, the authority has an objective to acquire, construct or enhance a particular fixed asset. These are activities being undertaken to bring a particular asset into use. Until the development stage commences, expenditure would not normally be capitalised. It would be impracticable for an authority to assess every item of expenditure when it is incurred as to whether it has enhanced an asset. The practical situation is instead that at the year end an assessment is made by programme managers and finance to make sure that expenditure is correctly charged to capital or revenue. The capital budgets are reduced by the same amount as the items that are subsequently coded to revenue.	
Slippage	(60)	Open Market	Redevelopment of the new Open Market is well underway and construction is proceeding. Implementation of the market stalls application process and marketing of the new business opportunities has been put back due to the projects later than expected start of works on site.	These works are now expected to be completed by October 2013, when the new market will open.

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
Reprofile	(80)	Various	Reprofiling of various small capital schemes is requested, including: Preston Barracks Site (£0.005)m, Circus Street Development (£0.015)m, Falmer released Land (£0.005m), Regeneration of Black Rock (£0.010m), Redevelopment of King Alfred swimming Pool (£0.018m), Brighton Centre Redevelopment (£0.009m), The Keep (£0.010m), and i360 project (£0.008m).	
Planning, Public Protection				
Reprofile	(18)	Emergency vehicle – Civil Contingencies	Emergency vehicle for Civil Contingencies (£0.018m).	
Housing (General Fund)				
Budget Variation	499	Fuel Poverty Capital Works & Green Deal Pioneer Places	Both of these schemes were not included at TBM Month 9 but have been subsequently approved by Policy & Resources Committee.	
IFRS / Other changes	26		Transfer from Delivery Unit - Adults Assessment of £0.036m and other changes of (£0.010m).	
Reprofile	(235)	Fuel Poverty Capital Works	The time period for delivering the project was very tight with award of funding only being announced on the 21st December. Significant elements of the project have been delivered in time and the 60 vulnerable householders have been identified. The incomplete works are outside the control of the council and are due to the capacity of contractors to take on this additional work within the restricted time frame. At project start and inception it was expected that more time would be available for the install phase	It is expected the remaining works will be carried out in April 2013; the original deadline was 31st March 2013 however the Department of Energy and Climate Change have acknowledged the tight deadlines and allow a carry forward into 2013/14 for completion.

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			but delays in announcement of and release of funding has hampered this.	
Reprofile	(123)	Private Sector Housing Renewal Programme	<p>A significant amount of works remain committed in the system for decent homes grants and assistance, covering the requested reprofile total. Although approved by the council, the completion of these works is dependent on the applicant proceeding and appointing contractors to complete works. The anticipated progress against these commitments has not been made over the last months by the applicants.</p> <p>Re-profiling of the budget to 2013/14 will allow the council to proceed with these approved works and cancel all commitments where the applicant does not wish to proceed.</p>	
Slippage	(974)	Local Delivery Vehicle – post Lease Refurbishment	<p>This capital scheme relates to capital works on properties that have been leased to Seaside Homes to bring homes across the city to a decent standard before being handed to Temporary Accommodation to nominate and manage the properties. This scheme is funded by a development fee paid to the council from Seaside Homes at an average cost of £0.021m per property per annum (inflated by 5% on anniversary of the overarching agreement) and managed within these funding limits.</p> <p>As at 31st March 2013, 294 properties had been leased to Seaside Homes which required routine (149) or major (145) post leased refurbishment.</p>	<p>The unit is expecting the transferred budget to be spent in 2013/14 to complete Batches 1-7. Some of the properties leased to Seaside in Batch 4 and 5 are expected to be substantially over the £0.021m per property but we expect to be able to manage the budget with costs being lower than the £0.021m on other properties.</p>

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			<p>The main reasons for the slippage on this budget are due to:</p> <ul style="list-style-type: none"> • delay in works on Batch 1-6; based on the expected schedule, we would have expected the works on batches 1-6 to have been completed by 1st April 2013 but only batch 1 has been completed as at 31st March 2013, and • delay in leasing batch 7 to Seaside Homes. Batch 7 was delayed by 1 month which means works didn't start on these properties before 31st March 2013. 	
Reprofile	(148)	Local Delivery Vehicle – ongoing costs	<p>This capital scheme relates to capital works on Seaside Homes Properties, subsequent to development works and under the management of Temporary Accommodation. This scheme is funded by a management fee paid to the council from Seaside Homes and managed within the funding limits.</p> <p>These costs form part of the Leasehold Major Works managed by the Leasehold team. The works have been completed within this financial year (2012/13) with the costs being held in the Property & Investment Capital budget. These are then recharged to the relevant leaseholder in September of the following financial year after the final account has been authorised. The unit is expecting cost in the region of £0.237m relating to 2012/13 in 2013/14 and needs to manage the costs over the next 5-6</p>	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			years of the project within the funding available.	
Reprofile	(66)	Various	Reprofiling of various small capital schemes is requested, including: Disabled facilities Grants (£0.041m), Places for Change programme (£0.013m) and the Permanent Travellers Site (£0.012m).	
Variance	(916)	Local Delivery Vehicle	As agreed at month 9 this budget is no longer needed as it was for the initial set up costs resulting in an underspend of £0.916m..	
Housing (HRA Capital)				
IFRS/ Other	358	Various	Capitalisation of Property and Investment Team salaries allowable under IFRS regulations.	
Variance	(207)	Door Entry Systems	An underspend variance of £0.300m was reported at TBM month 9 for Door Entry Systems. This has been revised to £0.207m with a reprofile of £0.068m of the budget being requested to add to the 2013/14 Capital programme for Door Entry.	A new long term contract is being procured, to be in place 2013/14
Reprofile	(68)		Projects tendered for in 2012/13 cost much less than originally anticipated as the Property Investment team developed clear specifications and reduced the risk for tenderers and their subsequent costs. Whilst a new long term contract is being procured, each upgrade project requires individual tendering & consultation.	
Variance	(236)	Water Tanks, Ventilation & Fire	BHCC/Mears are in the process of agreeing costs for undertaking this large programme	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
		Alarms Lighting	of work. Urgent works have already been instructed and these will be funded from the 2013/14 budget resulting in an underspend against 2012/13 resources.	
Variance Reprofile	(234) (170)	Minor Empty Properties	A £0.248m underspend was previously identified and agreed at TBM month 5, while a reprofile of £0.170m is requested at outturn. Due to delays in starting 2 properties in Glynde Road £0.125m will need to be moved into 2013/2014 budget. The delay was caused by a lack of tender returns to ensure value for money and building control requirements. A 2nd round of tendering was required to ensure value for money. £0.045m is also requested to be moved out of the remaining savings on this budget to finance urgent roofing repairs at a number of high rise blocks such as Tyson Place.	
Reprofile	(86)	Roofing	Due to legal issues causing delays in starting work at Park Royal, £0.086m will need to be reprofiled into 2013/2014.	Legal advice is being obtained for a strategy on this project going forward.
Variance	(955)	Pre-Lease Conversion Refurbishment	This underspend on Pre-Lease Conversion Refurbishment (Seaside Homes) was previously reported and agreed at TBM month 9. Due to previous legal issues, now resolved, works were delayed to these former Temporary Accommodation (TACC) buildings (e.g. 243/245 Preston Rd, 57 Sackville Rd, and 22 Windlesham). These empty homes have been leased to Seaside prior to completion of major refurbishment works. Work will now be completed using the	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			Seaside Homes leased properties refurbishment arrangements. This will mean that the £0.400m that was reprofiled at TBM month 5 will no longer be required.	
Reprofile	(255)	Major Voids	The saving on this budget is requested to be moved forward to 2013/14 to help fund urgent roofing works at a number of high rise blocks.	
Variance	(67)	City College Partnership	£0.015m of this underspend was highlighted at TBM month 9; the outturn underspend is £0.052m more than forecast. City College refurbishments were planned to take place on empty properties prior to leasing to Seaside. However, the majority of works had to be carried out post-lease, therefore the spend is covered under the General Fund post-lease refurbishment arrangements. As a result the remaining 2012/13 funding is no longer required.	
Reprofile	(451)	Structural Repairs	The improvements to the North Whitehawk High Rise blocks, Nettleton & Dudeney and St James' House (Phase 2) have progressed well in 2012/13. These are phased programmes over 2 years expecting to be completed in Q3 of 2013/14. We therefore request that the remaining budget of £0.451m be moved into 2013/14. This is split as follows: St James's House (P2): £0.346m Nettleton & Dudeney: £0.094m Kestrel Court: £0.011m	Progress on these projects is regularly communicated to residents & other stakeholders. And monitored by the Partnership & Core groups
Reprofile	(286)	Windows	The improvements to the North Whitehawk High Rise blocks have progressed well in 2012/13. This is a phased programme over 2	Local residents and stakeholders are updated regularly on the progress of the programme.

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			years expecting to be completed in Q3 of 2013/14. We therefore request that the remaining budget for Heron Court: £0.026m and Kestrel Court £0.260m be moved into 2013/14 for works to complete the scheme.	
Reprofile	(91)	Doors	Due to delays with the door manufacturing, delivery and installations caused by the adverse weather in 2012 and early 2013, works have been delayed in the 2012/13 programme. Therefore a reprofile of £0.091m into 2013/14 is required to complete the works.	The outstanding jobs will be prioritised and completed in the 1st quarter of 2013/14.
Variance	81	Kitchen & Bathroom Replacements	A £0.032m overspend was highlighted at TBM month 9 and this has increased to £0.081m at outturn. A greater number of kitchens were chosen by tenants when their property failed the decency level than had previously been predicted. These greater numbers increased spend beyond the saving on the bathrooms budget. The breakdown is as follows: Kitchens: Overspend: £0.235m Bathrooms: Underspend (£0.154)m	This is reflected in the Partnership meeting the decency target for 2012/13.
Variance	241	Rewiring	A £0.358m overspend was approved at TBM month 9; this has reduced at outturn to £0.241m. The rewiring budget has overspent in 2012/13 to help meet the 'Decent Homes' standard.	The increase in the number of jobs carried out has had a positive impact on resident safety and helped the partnership to achieve the decency target for 2012/13.
Slippage	(109)	Cladding	Specifications for energy efficiency works at Staplefield Drive have not been agreed in this financial year due to other priorities. It is therefore requested that the budget of	Priority will be given to this project in 2013/14 to get agreement on the specifications and works commenced.

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			£0.109m is carried forward (reprofiled) into 2013/14.	
Reprofile	(51)	Estate Development Budget	<p>The EDB budget will need to move £0.051m of capital budget into reserves as an allowance for works that could not be carried out in 2013/14 but that are allocated to projects still expected to be completed in the coming financial year(s).</p> <p>The reason for this is mainly down to consultation and agreement of specifications for works with resident representative groups before works can commence.</p>	The EDB board is regularly updated on these issues and is actively involved with seeking resolution.
Variance	86	HRA adaptations	<p>The HRA Adaptations budget funds all housing adaptations, minor and major, in council homes in response to an initial Community Care Act assessment in Adult Social Care to establish eligibility for our services and an specialist OT assessment & recommendation for adaptations deemed 'necessary', 'appropriate and reasonable', and 'practicable'. The Major Adaptations Panel scrutinises all applications for adaptations over £0.015m.</p> <p>The 2012/13 HRA adaptations budget is £1.250m with an outturn overspend of £0.086m which can be met from underspends from other areas within the HRA Capital Programme 2012/13.</p> <p>The spend this year is as a result of the service having significantly speeded up the OT assessment process, the joint work/co</p>	<p>Link with development of housing options, 2013/14 - 43 new affordable wheelchair accessible homes in development.</p> <p>Scrutiny at Major Adaptations Panel - all applications for adaptations over £0.015m.</p> <p>Continued joint work with Decent Homes to ensure best use of resources.</p>

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			<p>funding bathroom adaptations with the Decent Homes programme and adaptations with the Relief of Overcrowding /extensions project, and meeting the demand for adaptations in response to a Community Care Act assessment. The service has cleared a backlog of cases this year, both in terms of cases waiting for OT assessment and ordering work; there are currently around 100 cases in progress.</p> <p>This funding also has to be seen in the context of all we do to more pro-actively manage the demand for adaptations, our joint work, close links in housing with the affordable housing delivery programme and number of new wheelchair accessible homes in the pipeline, with Homemove (the council's housing register) and letting of accessible and adapted council properties, and through our re-commissioning of the Adaptations Framework contract of specialist contractors - a housing led joint procurement with Adult Social Care to ensure value for money.</p>	
Variance Reprofile	363 (112)	TV Aerials	<p>Additional funding to cover the overspend on TV aerials was reported at TBM month's 4 and 7. However, some of this work will now be carried out in 2013/14 and a part reprofile is requested.</p> <p>Following-on from the successful digital aerial installation programme, we plan to undertake a clean-up operation to remove and tidy-up any existing and redundant</p>	The overspend element of this project will be funded from other reported HRA Capital Programme underspends as previously reported.

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			cabling, aerials & satellite dishes from our blocks. This will address the frequent enquiries we have received from residents about loose cabling affecting their block and will ensure the integrity of the cladding is not compromised. There are also additional benefits to this programme such as enhancing the appearance of our blocks across the City and will increase the overall value of our property portfolio.	
Variance Slippage	(56) (40)	Balchin Court	<p>The original budget for the construction phase was over-estimated. When the final contract was agreed the amount was lower, however the project budget was not adjusted in line with this resulting in a small underspend variance.</p> <p>Slippage in the construction phase will move the end date into 2013/14. This will result in the final Kier Construction invoice carrying into 2013/14 including half of their Retention fee. The final project management fee to Calford Seaden has also slipped into 2013/14.</p> <p>Contingency funds also need to be carried into 2013/14. The main potential draws on this are:</p> <ol style="list-style-type: none"> 1) Site security between handover from the contractor and full occupancy. 2) Snagging at handover stage in May. 	
Reprofile	28	Various	Various small reprofiles within the HRA Capital Programme not included in the	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			above.	
Variance	5	Various	Small overspends on various schemes within the HRA capital Programme not included in the above.	

Communities - Capital Budget Summary

Forecast Outturn Month 9 £'000	Unit	2012/13 Revised Budget £'000	Reported at other Meetings £'000	IFRS / Other £'000	Variation, Slippage or reprofile £'000	2012/13 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(37)	Commissioner - Sports & Leisure	1,291	0	0	(20)	1,271	1,256	(15)	-1.2%
0	Delivery Unit - Tourism & Leisure	3,491	0	(10)	(4,726)	(1,245)	(1,245)	0	0.0%
(37)	Total Capital Communities	4,782	0	(10)	(4,746)	26	11	(15)	-57.7%

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	(20)	Saltdean Lido Emergency Works	A reprofile is requested for Saltdean Lido Emergency Works.	
Variance	(15)	Stanley Deason all weather track	As reported at Month 5, tenders have now been received and the cost of the project is less than expected by (£0.040m) offset by additional costs elsewhere within the Withdean capital scheme. The result is a small underspend.	
Delivery Unit – Tourism & Leisure				
IFRS / Other	(10)	Royal Pavilion Lighting	Garden lantern costs within the Pavilion Gardens were provided by the Street Lighting section via budget	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			transfer (see the Transport section within Environment, Development & Housing).	
Slippage	(238)	Volks Railway Shed	The budget estimate for the project currently exceeds the allocated funding. The scheme has been redesigned and value engineered but still exceeds the budget. A funding bid to the Coastal Communities Fund was submitted last September in an attempt to finance the new sheds however this bid was unsuccessful.	Further funding is still being sought but in the meantime this budget needs to be slipped forward to 2013/14.
Slippage	(176)	Brighton Centre Box Office	At the outset of the project it was anticipated that the majority of expenditure would be either spent or committed by 31st March 2013. However, following the first round of procurement and resulting supplier submissions it became obvious that the Contract Values would exceed the EU Thresholds of £0.174m and would need to be subject to OJEU. This has resulted in a delay in the project and as a result the budget will need to be transferred to 2013/14.	
Reprofile	(4,268)	New Historical Records Office (The Keep)	The variance has arisen following a change in accounting policy adopted by East Sussex County Council for the Keep which has resulted in the reversal of the accrual raised for 2011/12 of £1.465m. The treatment now reflects that Brighton & Hove City Council is not due to pay its contribution towards the Keep until the legal arrangements are in place - this will be achieved in 2013/14.	The construction of the Keep is on schedule with practical completion due in May 2013. A reprofile of the 2012/13 budget into 2013/14 is required to reflect the expected cash flow.
Reprofile	(44)	Various	Reprofiling of various small capital schemes is requested, including: Royal Pavilion Toilet Facilities (£0.029m) & Royal Pavilion Lighting (£0.015m).	

Appendix 4 – Capital Programme Performance

Resources & Finance - Capital Budget Summary

Forecast Variance Month 9 £'000	Unit	2012/13 Revised Budget £'000	Approved at other Meetings £'000	IFRS / Other £'000	Variation, Slippage or reprofile £'000	2012/13 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
0	Delivery Unit - City Services	234	0	0	(155)	79	79	0	0.0%
0	Resources	9,514	0	(1,233)	(2,644)	5,637	5,608	(29)	-0.5%
0	Finance	139	0	(4)	(27)	108	108	0	0.0%
0	Total Capital Resources & Finance	9,887	0	(1,237)	(2,826)	5,824	5,795	(29)	-0.5%

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				
Reprofile	(99)	Woodingdean Library	Further to the reprofile agreed in November 2012 due to unresolved S106 issues, there were also delays in the finalisation of the legal agreement between the Developers and the Doctors, influenced by concerns related to the Health Service reorganisation and future funding. A reprofile is therefore requested to 2013/14.	All the issues have now been resolved and the development will be completed during 2013/14.
Reprofile	(50)	Replacement of Coroner's Vehicle	There has been considerable delay in the acquisition of the vehicle due to the specific nature and purpose. A reprofile to 2013/14 is requested.	The vehicle will now be purchased in the first quarter of 2013/14.
Reprofile	(6)	various	Minor reprofiling of various capital schemes is requested, including: replacement of library booking system (£0.024m) and Woodvale	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			cremators for mercury abatement £0.018m	
Resources – ICT				
IFRS/ Other	(393)	ICT Workstyles	Please see paragraph 3.19 (v) of the main report for a general explanation of IFRS changes. For the refurbishments within corporate buildings some of the costs are of a day-to-day servicing nature and are not capital expenditure. It would be impracticable for an authority to assess every item of expenditure when it is incurred as to whether it has enhanced an asset. The practical situation is instead that at the year end an assessment is made by programme managers and finance to make sure that expenditure is correctly charged to capital or revenue. The capital budgets are reduced by the same amount as the items that are subsequently coded to revenue.	
Slippage	(85)	Information Management	Slower than expected progress on the City Planning Improvements Project means that not all initial payment milestones have been reached with supplier. There is therefore an outstanding commitment of £0.037m which will slip into 2013/14 until the project milestones are successfully met. The remainder is a result of the later than originally planned go live dates for CityClean CEM and Incident Reporting/Clients for Concern system developments which are now expected in quarter 1 of 2013/14. These have led to payment milestones not yet being reached with suppliers who will receive the remainder of payment	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			following successful launch of the systems.	
Reprofile	(68)	Communications (ICT)	There are two main elements to the carry forward in Communications. There is an amount of £0.024m from a large telephony project where the supplier was unable to supply the services ordered and subsequently the development roadmap for the product was altered in a way that could not have been predicted. This has led to the final phase of the project being redefined and alternative services will be delivered in 2013/14. The remainder is for goods and associated professional services that were expected to be used in the current year for network performance upgrades, but the whole implementation has been delayed due to a combination of new information becoming available, and equipment that is normally held in stock by suppliers and available on short lead times being unexpectedly out of stock nationwide. A reprofile is requested.	
Reprofile	(562)	ICT workstyles phase 2	Workstyles Phase 2 is being implemented over 3 financial years with a total of £1.6m set aside for ICT costs. The back-end infrastructure costs have been completed and a reprofile is required for the completion of works of the corporate buildings for cabling costs at Bartholomew House, EDRM costs, decommissioning at Ovest House plus the final investment in hot-desks, PC's and phone installation. Contingencies have also been included within the project costs which will be reprofiled.	The ICT support for Workstyles Phase 2 is dependent on other ICT investment and infrastructure changes.
Reprofile	(62)	Various	Various minor reprofiles are requested including: ICT Workstyles Planning (£0.026m) & ICT Governance & Security (£0.036m).	

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
Resources – Communications				
Variance	(108)	Relocation of Print & sign Unit	The project is now complete and the underspend is as a result of finding a better alternative building than originally anticipated, which not only required less refurbishment work but also the rent per annum is half that of the original building.	
Resources – Human Resources				
Reprofile	(43)	Human Resources System	A small reprofile is requested for the continued development of the PIER HR System (£0.043m).	
Resources – Property & Design				
IFRS/ Other	(840)	Workstyles	Please see paragraph 3.19 (v) of the main report for a general explanation of IFRS changes. For the refurbishments within corporate buildings some of the costs are of a day-to-day servicing nature and are not capital expenditure. It would be impracticable for an authority to assess every item of expenditure when it is incurred as to whether it has enhanced an asset. The practical situation is instead that at the year end an assessment is made by programme managers and finance to make sure that expenditure is correctly charged to capital or revenue. The capital budgets are reduced by the same amount as the items that are subsequently coded to revenue.	
Slippage	(65)	Replacement of card swipe security system	All the main civic and corporate buildings use a swipe card system which is being replaced. This project has slipped into 2013/14.	
Reprofile	(50)	New England House replacement of fire alarm system	Essential Health & Safety works at New England House for the replacement of the fire alarm system needs to slip into 2013/14.	
Slippage	(53)	Stanmer Park	The council has appointed a project manager and	The council has tendered an

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
		Agricultural Buildings	we have completed a conditions survey and heritage assessment of the property which has taken longer than anticipated.	instruction and jointly appointed agents with SDNPA to consider capacity and planning issues and provide valuation advice on potential schemes as well as funding options.
Reprofile	(108)	Solar Panel Implementation Plan	Solar PV Panels are to be installed to the corporate buildings under Workstyles Phase 2. Moulsecoomb LDC and Hove Town Hall have been installed but the installation at Bartholomew House still to be completed and a reprofile to 2013/14 is therefore requested.	
Reprofile	(1,318)	Workstyles Phase 2	Workstyles Phase 2 is being implemented over 3 financial years and includes Bartholomew House (2 nd & 3 rd floors), the Moulsecoomb Learning & Development Centre and the Customer Service Centre at Hove Town Hall. The works at Moulsecoomb LDC have been completed with the majority of work at Hove Town Hall also completed. Completion of the works at Bartholomew House and Hove Town Hall will be completed in 2013/14 and includes project resource costs, contingencies and dilapidations at vacating sites such as Ovest House.	The profile of the original budget was dependent on a wide range of factors including decisions about accommodation units by services. The budget now needs reprofiling to reflect an updated payment profile.
Reprofile	(230)	Various	Reprofiling of various small budgets is requested, including: Hollingdean Depot Health & Safety Works (£0.041m), Farms Partnership – Water protection (£0.022m) Preston Manor (£0.028m), New England House Health & Safety Works (£0.043m), Social Services Lifts (£0.031m), Social Services externals (£0.046m) and Kensington Street (£0.019m)..	
Variance	79	Various	Various minor overspends include: Mechanical Boiler Replacements £0.021m, Legionella	All overspends have been funded from available revenue resources in

Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			Assessments £0.014m, Learning Development Centre £0.014m and other very small overspends over many schemes.	2012/13.
Resources – Finance				
IFRS/ Other	(4)	Replacement of FIS	Please see paragraph 3.19 (v) of the main report for a general explanation of IFRS changes. Small change relating to IFRS requirements on this project.	
Reprofile	(27)	Replacement FIS	A reprofile is requested to enable continued development and upgrading of the Corporate Financial Information System (£0.027m).	

New Capital Project Approval Request

Unit:	Commissioner – Learning & Partnership
Project title:	Hove Park Tablet Devices
Total Project Cost (All Years)	£150,000

Purpose, benefits and risks:

Provision of tablet devices for Hove Park School to be funded from borrowing.

The scheme to provide tablet devices is part of the school’s learning transformation project that focuses around ICT. Research has shown that learning outcomes have been significantly improved where students have access to cutting edge technology and the project being implemented at Hove Park ultimately seeks to give every student within the school access to a tablet device (approx. 1,600 students in total). Parents have been offered a package of three options: they can buy a tablet directly from the school, bring in their own, or use a school-owned tablet, paying contributions over a fixed period, after which they own it. The scheme also aims to encourage partnership working with local primary schools and to investigate the way in which lessons learned from the project can be implemented in the primary sector.

Capital expenditure profile (£’000):

Year	2013/14	2014/15	2015/16	TOTAL
Unsupported Borrowing	150,000	0	0	150,000
Total estimated costs and fees	150,000	0	0	150,000

Financial implications:

Borrowing is available to schools to provide finance for schemes such as this subject to an acceptable business case. Hove Park ended the 2012/13 financial year with an underspend of £347k and have factored the future capital financing repayments of the loan in to their multi-year budget plan submitted to and verified by the council’s Schools Finance team. Furthermore, the Local Authority has received a signed agreement from the school that confirms the Governing Body has reviewed its three year budget plan and has confirmed the project is affordable, including the repayments on the loan. The repayment of the loan will be funded from the revenue budget of the school over 3 years.

New Capital Project Approval Request

Unit:	Commissioner – Learning & Partnership
Project title:	Elm Grove Reception Playground
Total Project Cost (All Years):	£30,000

Purpose, benefits and risks:

Playground development has been within our School Improvement Plan since 2010. The school needs to develop an innovative outside space to improve the quality of teaching and learning in the Early Years curriculum.

The reception playground is used as an outside learning/activity area and the current equipment is need of refurbishment. Outdoor learning is an important part of children’s education and an enhanced outside space would enable them to further develop their physical and mental skills. Developing the outside area would enable the educational experience to be expanded and would ensure that children would be able to achieve their full potential in Key Stage 1.

Capital expenditure profile (£'000):

Year	2013/14	2014/15	2015/16	TOTAL
Donation	10,000			10,000
Unsupported Borrowing	20,000			20,000
Total estimated costs and fees	30,000			30,000

Financial implications:

The school has been given £10,000 from the PTA and would like to apply for £20,000 in borrowing, which would be paid back through school revenue over a period of 4 years. Borrowing is available to schools to provide finance for schemes such as this subject to an acceptable business case.

New Capital Project Approval Request				
Unit:	Commissioner – Learning & Partnership			
Project title:	Fairlight Primary Solar Panels			
Total Project Cost (All Years):	£42,000			
Purpose, benefits and risks:				
<p>This scheme is for the installation of solar panels at Fairlight primary school, which is to be funded from borrowing. The scheme is estimated to provide a payback within 7 years and over the 20-year period of the scheme the school will receive significant energy savings.</p>				
Capital expenditure profile (£'000):				
Year	2013/14	2014/15	2015/16	TOTAL
Unsupported Borrowing	42,000			42,000
Total estimated costs and fees	42,000			42,000
Financial implications:				
<p>Borrowing is available to schools to provide finance for schemes such as this subject to an acceptable business case. The repayment of the loan will be funded from a combination of the Feed In Tariff's generated from the solar panels, energy savings and potentially the revenue budget of the school in the early years of the project. The school has produced a balanced budget plan for 2013/14 and its 3-year budget plan incorporates the loan repayments and continues to show the school in a sound financial position over the next 3 years.</p>				

New Capital Project Approval Request				
Unit:	Resources – Property & Design			
Project title:	King Alfred – Landlords responsibility			
Total Project Cost (All Years):	£77,000			
Purpose, benefits and risks:				
This capital expenditure is urgently needed to replace the water supply pipe work to reduce legionella risk.				
Capital expenditure profile (£'000):				
Year	2013/14	2014/15	2015/16	TOTAL
Direct Revenue Funding	77,000			77,000
Total estimated costs and fees	77,000			77,000
Financial implications:				
This health and safety work was identified in March and the funding has been identified and accommodated within the revenue budget in 2012/13.				

Subject:	Employability for Young People in Care and Care Leavers		
Date of Meeting:	June 2013		
Report of:	Executive Director for Children's Services		
Contact Officer:	Name:	James Dougan	Tel: 29-5511
	Email:	james.dougan@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 This is the update report as requested by Policy & Resources on 21st March 2013.
- 1.2 The report highlights the progress made with regard to work placements and apprenticeships within the Council and its partners for young people in care and leaving care, and details the BHCC nationally benchmarked assessment and support process to enhance young people in care and leaving care successful transition into employment and training.

2. RECOMMENDATIONS:

- 2.1 That the Committee agree to 5 ring-fenced apprenticeships for young people in care and young people leaving care within the Brighton & Hove Apprenticeship Scheme.
- 2.2 That the Committee agree to guaranteed interviews for all apprenticeships within the Brighton & Hove Apprenticeship Scheme if the young people meet the necessary criteria.
- 2.3 That the Committee note the assessment and support package for young people in care and leaving care to support entry into employment and training.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 BHCC has 444 children in care (March 2013), 0-18 years, 192 care leavers, 18-21 years and 158 aged 16-19 years. The target group for BHCC work placements and apprenticeships of young people aged 16- 19 years averages 70 each year over the next 3 years.
 - 3.1.1 As the Committee learned previously, BHCC's 16 Plus Support Team takes the lead in ensuring young people in care and care leavers are prepared for transition into employment and training.

- 3.1.2 Each young person in care post 16 and all care leavers have a Pathway Plan/Personal Opportunities Plan. This plan is developed in partnership with the young person highlighting any obstacles the young person might have in accessing employment and training. The plan also details the individual tailored support package.
- 3.1.3 To support the young people there are 2 specialist employability advice posts within the 16 Plus Support Team. These posts provide specialist advice and assistance including help with CV's and job applications, interview preparation and practice, identifying future choices and building confidence and motivation.
- 3.1.4 These posts also provide targeted advice and guidance support to young people in care and care leavers not in education, employment or training (NEET). The Personal Opportunities Plan (POP), a post-16 Personal Education Plan (PEP) supports and engages young people in exploring their post-16 options.
- 3.1.5 The Council's Apprenticeship Co-ordinator acts as a link between Job Centre Plus and the 16 Plus Support Team in the recruitment of apprenticeships as well as acting as an advocate in the process for young people leaving care.
- 3.2 All of the Council Directorates have now offered work experience and taster days and these are now being actively pursued and recruited to and placements are underway across the Directorates for young people in care and leaving care.
- 3.3 It is proposed that as part of the Brighton & Hove City Council Apprenticeship Scheme, 5 apprenticeships are now ring-fenced for young people leaving care and all young people leaving care will be guaranteed an interview for all apprenticeships where it's been identified by the City Council's Apprenticeship Co-ordinator, that they meet the required standards.
- 3.4 Financial assistance is guaranteed to assist young people with apprenticeship and work placement associated expenses e.g. travel costs, interview and/or work clothing. Assistance can also be provided to enable young people to reach the desired entry level requirements for apprenticeships where they fall short of these.

4. COMMUNITY ENGAGEMENT AND CONSULTATION

- 4.1 Consultation has taken place with young people both in care and who have left care to seek their views on what Brighton & Hove City Council and its partners could be providing in employment and pre-employment opportunities. The views and opinions of foster carers, residential care providers, Social Workers and Personal Advisers have also been sought and considered.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 There are currently no direct financial implications arising from the recommendations in this report. If additional costs arise as a result of future developments then it will be necessary to identify appropriate funding.

Finance Officer Consulted: David Ellis,

Date: 28 May 2013

Legal Implications:

- 5.2 Employability opportunities enshrined within corporate parenting duties describe the collective responsibilities members and officers of Brighton & Hove City Council and its partner organisations have towards children and young people in local authority care. The commissioning and delivery of services is underpinned by the Children Act 2004, the Care Matters Implementation Plan 2008. Local authorities have particular duties to care leavers to ensure that Pathway Plans are developed which include assessment in respect of employment and education needs. Under the leaving care legislation, and as with any good parent, the authority's duties and advice to care leavers extends beyond their minority.

Lawyer Consulted: Natasha Watson,

Date: 28 May 2013

Equalities Implications:

- 5.3 Effective corporate parenting is critical to the implementation of Brighton & Hove Council's Equalities Policy and to the achievement of the priorities set out in the Children & Young People's Plan 2009-12

Sustainability Implications:

- 5.4 There are no immediate sustainability implications

Crime & Disorder Implications:

- 5.5 Corporate parenting and in particular greater access to sustainable employment will assist our aims to support young people to engage in law abiding and socially acceptable activity and behaviour and to become socially responsible citizens.

Risk and Opportunity Management Implications:

- 5.6 Effective corporate parenting strategies will assist the Council as a whole and its partners in meeting their duties to children and young people in care and care leavers and this includes the management of significant risks, including risk to self, to others and to reputation and financial risk.

Public Health Implications:

- 5.7 There are no immediate public health implications however significant employability opportunities will have a huge impact on these young people's future prospects, in fulfilling their potential and improving and improving their social mobility and social inclusion and in reducing social exclusion.

Corporate / Citywide Implications:

- 5.8 The Corporate Parenting Strategy describes the collective responsibilities that members and officers of Brighton & Hove City Council and its partner organisations have towards children and young people in local authority care.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 Corporate Parenting responsibilities and duties meet a statutory duty upon Brighton & Hove City Council in respect of children and young people in care and care leavers and as such there are no alternative options.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 To meet Brighton & Hove City Council's responsibilities in respect of children and young people in care and care leavers in assisting them become independent adults with sustainable employment and a good standard of living.

SUPPORTING DOCUMENTATION

Appendices:

None

Documents in Members' Rooms

None

Background Documents

None

Subject:	Rationalisation and Procurement of the Mechanical and Electrical Term Maintenance Contracts		
Date of Meeting:	13th June 2013		
Report of:	Executive Director Finance & Resources		
Contact Officer:	Name:	Angela Dymott,	
		Martin Hedgecock	Tel: 295047
	E-mail:	Martin.hedgecock@brighton-hove.gov.uk	
Wards Affected:	All	ALL	

1. SUMMARY AND POLICY CONTEXT:

- 1.1 The report requests that the Committee authorise and approve the rationalisation and procurement of the mechanical and electrical term maintenance contracts as proposed in paragraph 4.
- 1.2 Following the implementation of our new corporate landlord approach we have taken the opportunity to review our contractual arrangements. There are currently 21 separate contracts that will be rationalised into 4 contract lots for procurement resulting in economies of scale, financial savings and more efficient contract management.

2. RECOMMENDATIONS:

That Policy & Resources grants delegated authority to the Executive Director, Finance & Resources:

- (1) To rationalise, procure in accordance with OJEU procedures and award the mechanical and electrical term maintenance contracts for a term of 4 years; and
- (2) To grant a two year extension to any or all of the contracts referred to in (1) above subject to satisfactory performance of the contract(s) in question.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The current contracts have been tendered separately since 2010 with a range of expiry dates from October 2013 to March 2014.
- 3.2 Under the implementation of Corporate Landlord a review was carried out of these contracted services by Property & Design, procurement and legal services. It was found that the procurement of the contracted services had been undertaken by individual departments on differing conditions, costs, specifications and with varying expiry dates. This meant that economies of scale savings were not being achieved and management time was not being used in an effective, economic, auditable or productive manner.
- 3.3 The Corporate Landlord approach will enable the rationalisation of a large number of existing contracts to ensure that economies of scale are realised. The number of contracts will be reduced and be managed and monitored by Property & Design giving better value for money and service delivery.

4 PROPOSED CONTRACTS AND PROCUREMENT ROUTE.

- 4.1 The proposed mechanical and electrical servicing term maintenance contracts will provide full statutory compliance assurance to Brighton and Hove City Council, servicing a wide variety of building types, including schools, libraries, sheltered housing, civic buildings, industrial buildings and day centres.
- 4.2 It is proposed to review and rationalise the 21 current mechanical and electrical maintenance contracts into 4 contracts to cover the specialised work requirements within the statutory compliance maintenance categories for example Mechanical servicing, Electrical testing, Water Hygeine and Lift servicing.
- 4.3 The contracts and tender details will be advertised in accordance with EU Procurement regulations and the Council's contract standing orders. This is likely to use an approach known as a "restricted procedure" as no suitable frameworks have currently been identified for use.
- 4.4 It is proposed that each of the contracts will be for four (4) years with an option to extend for a further two (2) years based on the successful contractor's performance over the contract period.

4.5 The proposed procurement timetable is shown below:

Task	Date
Committee Meeting	13 th June 2013
OJEU Placed	20th June 2013
PQQ Placed on South East Business Portal	20th June 2013
Closing date for PQQ's	25th July 2013
Evaluate PQQs	by 15th September 2013
ITT sent out	23 rd September 2013
Closing date for tenders	7 th November 2013
Evaluation of Tenders	by 9 th December 2113
Select Preferred Bidder	10 th January 2014
(Standstill Period - 14 days)	24 th January 2014
Award Contract	1 st Feb 2014
TUPE/Contract changeover	60 days
Contract Start	1 st April 2014

- 4.6 For each, contract bidders will be invited to submit a formal tender and supply sufficient supporting documentation to demonstrate their ability to deliver the service and make improvements to include internal quality procedures, staffing details and levels, equipment strategy, performance measures, sustainability, pricing schedules, health & safety documentation and mobilisation plan.
- 4.7 Each contract will be evaluated on a 60% technical / quality and 40% price split. It has been decided to have the technical / quality split as higher because it is important that the quality of the work carried out is to a high standard for the safety of both employees and visitors. High standards of servicing will also mean that building maintenance costs will be reduced. A cross - functional evaluation panel consisting of representatives from procurement, property & design and finance will evaluate the tenders for each contract according to a methodology set out in the invitation to tender and evaluation guidelines.
- 4.8 Each contract will also feature site specific specifications where each site will have a 'core' specification plus additional requirements that are needed to ensure that the site is kept compliant. This will encourage flexibility and savings where Clients will be paying for the correct compliance services specific to their site. For example where oil fired boilers or gas fired boilers are installed the contract will enable different prices and service specifications to ensure compliance with the relevant statutory requirements rather than a generic specification and price for a boiler service.

- 4.9 TUPE (Transfer of Undertaking Protection of Employment) regulations may apply to the contracts and the council will obtain information from the incumbent contractors for use in the tender documents.
- 4.10 The procurement team will be meeting its obligation under the Public Services (Social Value) Act 2012 to consult with local business & providers by holding a Market Warming day at Brighton Town Hall. Improvements to the wellbeing of the City will also be included as key measure/evaluation criteria in our Pre Qualification & Invitation to Tender documentation. Whilst preference cannot be shown to local providers, the use of this criterion in our evaluation model will allow us to evaluate how each individuals bid can benefit the social, economic & environmental well being of the City through improved local employment, suppliers, apprenticeships and the local supply chain reducing carbon emissions.

5 CONSULTATION

- 5.1 Consultation will be undertaken with a view to determining
- Each site's specific maintenance servicing and statutory compliance requirements
 - A specification with quality criteria which meets stakeholder needs.
 - Evaluation criteria and weighting for determining the most economically advantageous tender, which will produce a definitive criterion on quality evaluation to satisfy each individual stakeholder requirement.
- 5.2 As the new contracts will be above EU Procurement threshold Services contract the Public Services (Social Value) Act 2012 will apply. Consultation with relevant stakeholders and Clients is in progress to inform the procurement specification including engagement with the local business community. To this end it is expected that well being criteria will be included in the Invitation to Tender document to ensure that consideration is given to how the social economic and environmental wellbeing of the City might be improved.

6. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 6.1 The Mechanical and Electrical Term Maintenance Contracts will provide statutory compliance servicing to council owned buildings, leased buildings and schools for a 4-year period with the option to extend for a further 2-year period.
- 6.2 The total contract value is expected to be in excess of £4.18m over the 4-year term and the proposal to rationalise the existing 21 separate contracts into 4 contract lots is expected to provide economies of scale and management savings.

- 6.3 The tender will be prepared on a basis to maximise efficiencies and value for money achieved through site specific specifications. The contracts will be managed under the Building Services function of Property & Design.
- 6.4 The contracts may have TUPE implications although it is not expected to have a major influence on the cost of the contract.
- 6.5 There is a provision within the contract for other sites and buildings to join the contract throughout the period. It is envisaged that this will provide greater efficiencies across the council. .

Finance Officer Consulted: Name Rob Allen

Date: 3 May 2013

Legal Implications:

- 6.6 The authority of Policy & Resources Committee is required for matters with corporate budgetary implications, such as the procurement of the Mechanical and Electrical Term Maintenance Contracts for which the costs are likely to exceed £4,180,000 over the 4 year term of the contracts. Accordingly the committee is entitled to agree the recommendations at section 2 above.
- 6.7 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 mechanical and electrical term maintenance services across a range of council property makes Policy & Resources the appropriate committee in that regard too.
- 6.8 The procurement of the new mechanical and electrical term maintenance service contracts will be subject to compliance with the full application of applicable EU Procurement legislation together with the Public Contracts Regulations 2006, the Council's Standing Orders and Financial Regulations.

Lawyer consulted: Isabella Sidoli

Date: 2nd May 2013

Equalities Implications:

- 6.9 These issues will be addressed in the tender process conducted in accordance with the council's Procurement Code of Practice Equalities & Diversity Monitoring.

Sustainability Implications:

- 6.10 Sustainability issues will be addressed in the pre-qualification and specification documents in line with the council's Sustainability Procurement Policy. The management and monitoring of these contracts will provide better energy efficiency measures thus reducing energy consumption and carbon emissions.

Crime & Disorder Implications:

- 6.11 There are no crime and disorder implications to be considered.

Risk & Opportunity Management Implications:

- 6.12 Full risk assessments will be undertaken by the successful Contractor in conjunction with the BHCC Contract Management. Key risks identified will need to be dealt with and regularly reviewed and updated by the respective parties. It will also be a requirement at tender stage that the tenderers provide example risk assessments for evaluation purposes.

Corporate / Citywide Implications:

- 6.13 The rationalisation of 21 separate contracts into 4 contracts under the Corporate Landlord will achieve value for money, ensure statutory compliance and the council will aim to make the tender process open and attractive to local contractors and the well being of the City.

7 EVALUATION OF ANY ALTERNATIVE OPTIONS:

- 7.1 **Do Nothing:** This would contravene statutory compliance requirements and increase costs if the contracts lapsed without having alternative contractual arrangements in place.
- 7.2 **Renew the Existing Contracts:** The opportunity of achieving savings through economies of scale would be lost and the high risk of not being statutorily compliant would remain.

8. REASONS FOR REPORT RECOMMENDATIONS:

- 8.1 The existing contracts will expire from October 2013 to March 2014 as they are not contemporaneous and the requirement for statutory compliance and better financial management and control would not be fulfilled. It is therefore recommended that the proposal to rationalise and procure the 4 mechanical and electrical contracts is approved.

SUPPORTING DOCUMENTATION

Appendices:

1. Schedule of contracts reviewed and lot allocation.

Documents in Members' Rooms

1. NONE

Background Documents

1. NONE