





**Brighton & Hove  
City Council**

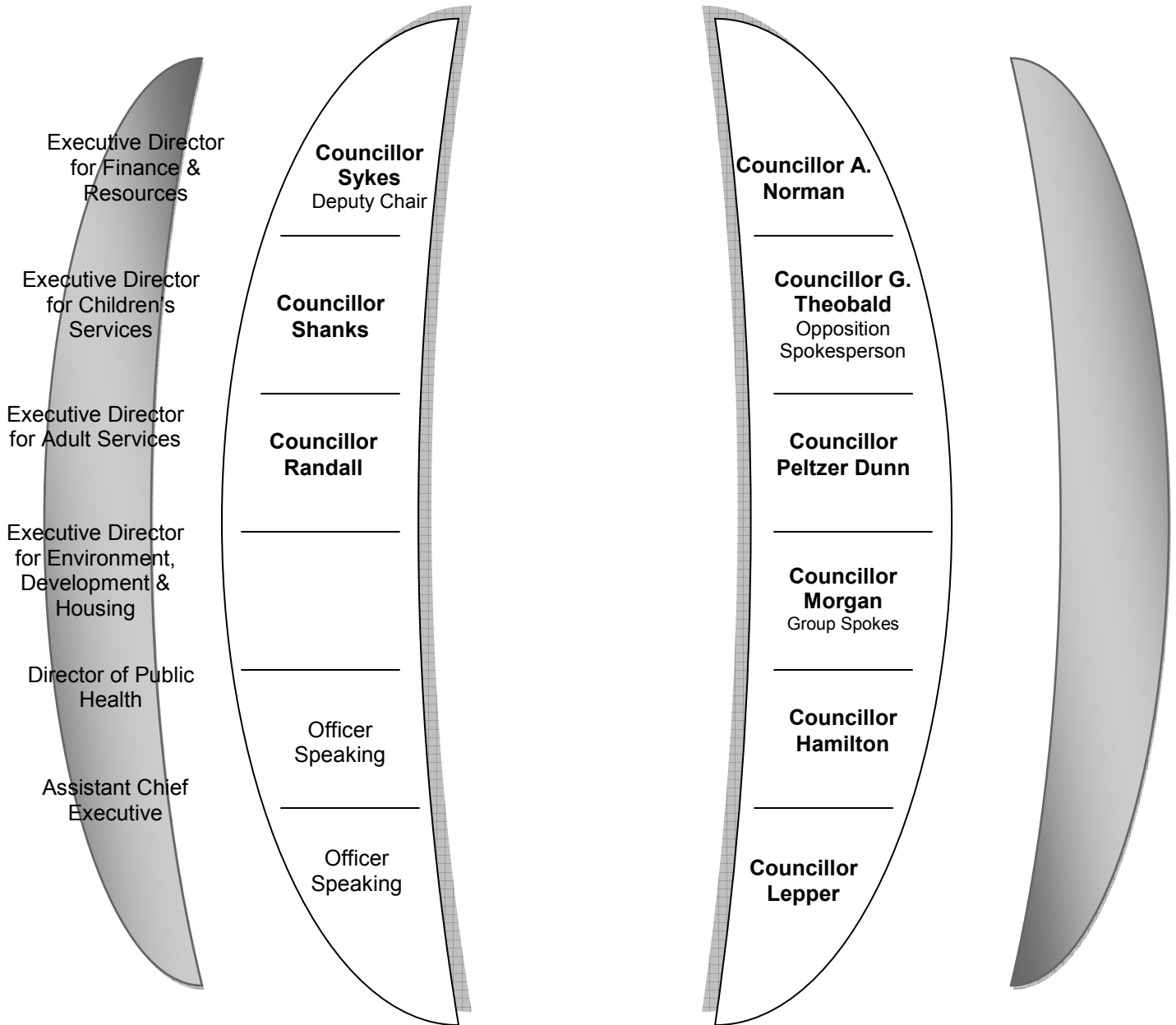
# Policy & Resources Committee

Title:	<b>Policy &amp; Resources Committee</b>
Date:	<b>16 October 2014</b>
Time:	<b>4.00pm</b>
Venue	<b>Council Chamber, Hove Town Hall</b>
Members:	<b>Councillors:</b> J Kitcat (Chair), Sykes (Deputy Chair), G Theobald (Opposition Spokesperson), Morgan (Group Spokesperson), Hamilton, Lepper, A Norman, Peltzer Dunn, Randall and Shanks
Contact:	<b>Ross Keatley</b> Acting Democratic Services Manager 01273 291064 ross.keatley@brighton-hove.gov.uk

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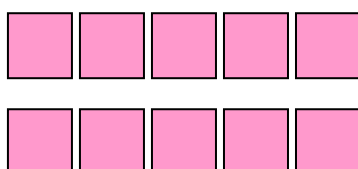
# Democratic Services: Policy & Resources Committee

Monitoring Officer	Councillor J. Kitcat Chair	Chief Executive	Democratic Services Manager
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Public Speaker	Councillor Speaking
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Public Seating



Press

## AGENDA

### PART ONE

Page

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#### PROCEDURAL MATTERS

#### 50 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.*

#### 51 MINUTES

1 - 18

To consider the minutes of the meeting held on 11 July 2014 (copy attached).

## POLICY & RESOURCES COMMITTEE

### 52 CHAIR'S COMMUNICATIONS

### 53 CALL OVER

- (a) Items (56 – 74) 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

### 54 PUBLIC INVOLVEMENT

19 - 22

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

- (a) **Petitions:** to receive any petitions presented by members of the public to the full Council or as notified for presentation at the meeting by the due of 3 October 2014;
  - (i) Petition from UNISON in relation to Drug and Alcohol Misuse Services (copy attached).
- (b) **Written Questions:** to receive any questions submitted by the due date of 12 noon on the 9 October 2014;
  - (i) Public Question for Valerie Paynter concerning the i360 Development (copy attached).
- (c) **Deputations:** to receive any deputations submitted by the due date of 12 noon on the 9 October 2014.
  - (i) Deputation from UNISON & GMB concerning the Integrated Community Equipment Store Service (to follow).

### 55 MEMBER INVOLVEMENT

To consider the following matters raised by councillors:

- (a) **Petitions:** to receive any petitions presented by members of the public to the full Council or as notified for presentation at the meeting by the due of 3 October 2014;
- (b) **Written Questions:** to consider any written questions;
- (c) **Letters:** to consider any letters;
- (d) **Notices of Motion:** to consider any Notices of Motion referred from Council or submitted directly to the Committee.



## **POLICY & RESOURCES COMMITTEE**

### **STRATEGIC & POLICY MATTERS**

- 56 CITY PLAN PART ONE - CHANGES ARISING FROM EXAMINATION PROCESS 23 - 94**
- Report of the Executive Director for Environment, Development & Housing (copy attached).
- Contact Officer: Helen Gregory Tel: 29-2293*  
*Ward Affected: All Wards*
- 57 OFF PLAN PROCUREMENT - RESIDENTIAL ACQUISITIONS 95 - 104**
- Report of the Executive Director for Environment, Development and Housing (copy attached).
- Contact Officer: Martin Reid Tel: 201273 93321*  
*Ward Affected: All Wards*
- 58 FOOD POVERTY REPORT 105 - 118**
- Report of the Assistant Chief Executive and the Director of Public Health (copy attached).
- Contact Officer: Nicky Cambridge Tel: 29-6827*  
*Ward Affected: All Wards*
- ### **GENERAL MATTERS**
- 59 REVIEW OF MEMBERS' ALLOWANCES - 2014 119 - 190**
- Report of Head of Law & Monitoring Officer (copy attached).
- Contact Officer: Mark Wall Tel: 29-1006*  
*Ward Affected: All Wards*
- 60 AMENDMENTS TO SCHEME OF DELEGATIONS FOR OFFICERS 191 - 196**
- Report of the Head of Law & Monitoring Officer (copy attached).
- Contact Officer: Abraham Ghebre-Ghiorghis Tel: 29-1500*  
*Ward Affected: All Wards*
- ### **FINANCIAL MATTERS**
- 61 TARGETED BUDGET MANAGEMENT (TBM) 2014/15 MONTH 5 197 - 262**
- Report of the Executive Director for Finance & Resources (copy attached).
- Contact Officer: Jeff Coates Tel: 29-2364*  
*Ward Affected: All Wards*

## **POLICY & RESOURCES COMMITTEE**

### **62 LIFE EVENTS MID YEAR FEES AND CHARGES REVIEW 263 - 284**

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

*Contact Officer: Paul Holloway*

*Tel: 29-2005*

*Ward Affected: All Wards*

### **CONTRACTUAL MATTERS**

### **63 DRUG AND ALCOHOL RECOVERY SYSTEM PROCUREMENT OUTCOME 285 - 302**

Extract from the proceedings of the Health & Wellbeing Board meeting held on 14 October 2014 (to follow); together with a report of the of the Director of Public Health (copy attached) and the report to the Health & Wellbeing Board (appended).

*Contact Officer: Kerry Clarke*

*Tel: 01273 295491*

*Ward Affected: All Wards*

### **64 INTEGRATED COMMUNITY EQUIPMENT SERVICE 303 - 320**

Extract from the proceedings of the Health & Wellbeing Board meeting held on 9 September (copy attached); together with a report of the of the Executive Director for Adult Services (copy attached) and the report to the Health & Wellbeing Board (appended).

*Contact Officer: Anne Richardson-Locke*

*Tel: 01273 290379*

*Ward Affected: All Wards*

### **65 PROCUREMENT OF A CONTRACT FOR GAS SERVICING, MAINTENANCE AND INSTALLATIONS 321 - 334**

Extract from the proceedings of the Housing Committee held on 10 September 2014 (copy attached) and report of the Executive Director for Environment, Development & Housing (copy attached).

*Contact Officer: Sharon Davies*

*Tel: 01273 121295*

*Ward Affected: All Wards*

### **66 INSURANCE TENDER**

Report of the Executive Director for Finance & Resources (to follow).

*Contact Officer: Steve Frost*

*Tel: 29-1634*

*Ward Affected: All Wards*

## **POLICY & RESOURCES COMMITTEE**

### **REGENERATION & PROPERTY MATTERS**

#### **67 HANGLETON BOTTOM 335 - 350**

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

*Contact Officer:* Rachel Chasseaud *Tel:* 01273 290753  
*Ward Affected:* North Portslade

#### **68 STANMER PARK HERITAGE LOTTERY FUND PROCUREMENT APPROVAL 351 - 356**

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

*Contact Officer:* Jan Jonker *Tel:* 29-4722  
*Ward Affected:* All Wards

#### **69 SHOREHAM AIRPORT 357 - 360**

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

*Contact Officer:* Oliver Asha *Tel:* 29-2554  
*Ward Affected:* All Wards

#### **70 92 CROMWELL ROAD - SURRENDER AND RENEWAL 361 - 368**

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

*Contact Officer:* Anne Richardson-Locke *Tel:* 01273 290379  
*Ward Affected:* Goldsmid

#### **71 ITEMS REFERRED FOR COUNCIL**

To consider items to be submitted to the 23 October 2014 Council meeting for information.

*In accordance with Procedure Rule 24.3a, the Committee may determine that any item is to be included in its report to Council. In addition, each Group may specify one further item to be included by notifying the Chief Executive no later than 10.00am on 13 October 2014 (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**

### **PART TWO**

#### **REGENERATION & PROPERTY MATTERS**

**72 SHOREHAM AIRPORT - EXEMPT CATEGORY 3 369 - 374**

Appendix to the report of Executive Director for Environment, Development & Housing listed as Item 69 on the agenda (circulated to Members only).

*Contact Officer: Oliver Asha*

*Tel: 29-2554*

*Ward Affected: All Wards*

**73 92 CROMWELL ROAD - SURRENDER AND RENEWAL - EXEMPT CATEGORY 3 375 - 376**

Appendix to the report of Executive Director for Finance & Resources listed as Item 70 on the agenda (circulated to Members only).

*Contact Officer: Anne Richardson-Locke*

*Tel: 01273 290379*

*Ward Affected: Goldsmid*

**74 DRUG AND ALCOHOL RECOVERY SYSTEM PROCUREMENT OUTCOME - EXEMPT CATEGORY 3 377 - 380**

Appendix to the report of the Director of Public Health listed as Item 63 on the agenda (circulated to Members only).

*Contact Officer: Kerry Clarke*

*Tel: 01273 295491*

*Ward Affected: All Wards*

#### **PROCEDURAL MATTERS**

**75 PART TWO MINUTES 381 - 382**

To consider the part two minutes of the meeting held on 11 July 2014 (circulated to Members only).

**76 PART TWO PROCEEDINGS**

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

## POLICY & RESOURCES COMMITTEE

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

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](http://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 Ross Keatley, (01273 291064, email [ross.keatley@brighton-hove.gov.uk](mailto:ross.keatley@brighton-hove.gov.uk)) or email [democratic.services@brighton-hove.gov.uk](mailto:democratic.services@brighton-hove.gov.uk)

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Date of Publication - Wednesday, 8 October 2014



**BRIGHTON & HOVE CITY COUNCIL**

**POLICY & RESOURCES COMMITTEE**

**2.00pm 11 JULY 2014**

**COUNCIL CHAMBER, HOVE TOWN HALL**

**MINUTES**

**Present:** Councillor J Kitcat (Chair) Councillors Sykes (Deputy Chair), G Theobald (Opposition Spokesperson), Morgan (Group Spokesperson), Davey, Hamilton, A Norman, Peltzer Dunn, Randall and Robins

**PART ONE**

**23 PROCEDURAL BUSINESS**

**(a) Declarations of Substitutes**

23.1 Councillor Robins was present in substitution for Councillor Lepper, and Councillor Davey was present in substitution for Councillor Shanks.

**(b) Declarations of Interest**

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

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

23.3 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.

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

**24 MINUTES**

24.1 The minutes of the meeting held on 12 June 2014 were approved as a correct record of the proceedings and signed by the Chair.

**25 CHAIR'S COMMUNICATIONS**

25.1 The Chair stated that the meeting would be webcast live and would be capable of repeated viewing.

- 25.2 The Chair announced that Item 32 – City Plan Part One – Changes Arising from Examination Process had been deferred from the agenda.
- 25.3 The Chair stated that since the last meeting the Council had received several awards for its work and thanks were extended to Officers, partners and colleagues for their dedication in achieving excellence. The Scrutiny Team gained recognition from the Centre of Public Scrutiny at the Good Scrutiny Awards and they were the winner in the ‘Involvement, Insight & Impact’ category for the Trans Scrutiny work. Stonewall had recently named the organisation the top Council for tackling homophobia and bi-phobia in schools; noting the partnership work and the work of ‘Allsorts Youth Project’. Furthermore the week prior to the meeting the Royal Town Planning Institute praised the organisation for the joint work with neighbouring authorities on Duty to Cooperate. This was the the fifth award won by the Planning Department in the last three years.
- 25.4 The Chair stated that the Council had also been successful in attracting funding: the Volks Railway had won a successful first-round bid from the Heritage Lottery Fund (HLF) – money from which would be used to restore and upgrade the facilities. Detailed plans would now be drawn up for submission of a bid for round two; the HLF had awarded the Council a development grant of £96,000 to develop the scheme further.
- 25.5 The Chair stated that the Royal Pavilion & Museums had been awarded over £2 million and Major Partner Museum status by Arts Council England. This recognised 21 museums across the country that had demonstrated excellence and ambition. Over the next three years the Arts Council’s investment of over £2 million would enable the Royal Pavilion & Museums to provide a cultural experience for more people. Highlights would include new exhibitions and arts programmes and there would also be extensive new volunteering and skills development opportunities; more collections online; and bold and imaginative use of the museum’s treasures to inspire learning and creativity among local community groups, children and young people.
- 25.6 Finally, the Chair stated the Greater Brighton City Region was to benefit from £52.4M of investment through the Local Enterprise Partnership, which would boost the shared local economy and support jobs, infrastructure and transport. The Council would receive significant funding for key developments in Brighton & Hove, namely Circus Street, Preston Barracks and Valley Gardens – helping to build on the status as the third best location in UK for business investment.

## **26 CALL OVER**

- 26.1 The following items were reserved for discussion:

Item 29	Treasury Management Policy Statement End of Year Review
Item 30	Targeted Budget Management (TBM) 2014/15 Month 2
Item 32	Budget and Corporate Plan Preparation
Item 34	Annual Performance Update 2013/14
Item 35	Minimum Buying Standards fir Catering Contracts
Item 38	Shared Lives (Tender Contract)
Item 39	Cash in Transit Contract
Item 40	Hove Town Hall, South End, Office Option
Item 41	Portslade Sports Centre – Future Management Arrangements



- Item 42 Stanmer Park Master Plan & Application for Heritage Lottery Fund Grant Funding
- Item 46 Stanmer Park Master Plan & Application for Heritage Lottery Fund Grant Funding – Exempt Category 3

26.2 The Acting Democratic Services Manager confirmed that the items listed above had been reserved for discussion, and that the following reports on the agenda, with the recommendations therein, had been approved and adopted:

- Item 31 Waivers of Contract Standing Orders
- Item 36 Home to School Special Needs Pupils Transport and Other Social Care Transport Contract
- Item 37 Procurement of Waste and Recycling Contract
- Item 43 Disposal of 18 Market Street
- Item 47 Disposal of 18 Market Street – Exempt Category 3

## 27 PUBLIC INVOLVEMENT

27.1 The Chair noted that there was one public question, as listed in the agenda papers, from Mr. Adrian Morris concerning the Aquarium Terraces. The Chair invited Mr. Morris to put his question:

27.2 Mr. Morris asked:

“The Aquarium Terraces, above Madeira Drive, are in a chronic state of neglect and decay with empty units, broken windows, boarded up areas, a half painted boardwalk, tattered flags and areas with rubbish. As we approach the summer season, it’s a blight on the seafront. What action has the Green Council taken in putting pressure on the owners of the Terraces to bring about repairs and improvements?”

27.3 The Chair responded:

“The freehold of this site is owned by the Council. A 150 year lease was granted in 1998 which is now held by an investment company. The company directors are based abroad and communication is via their UK agent. Under the terms of the lease, the leaseholders are responsible for maintaining the property in good repair.

The Council has consistently and regularly contacted the leaseholder’s agent requesting rectification of the ongoing and accruing disrepair but to no avail. The Council has now served a preliminary notice on the leaseholders requiring them to address a range of repairs. To date this notice has been ignored. The Council are therefore preparing to serve a formal schedule of dilapidations on the leaseholders, accompanied by a notice to forfeit (terminate) their lease. However, the leaseholders have the right to apply to the Court for relief from forfeiture (termination) of their lease.”

27.4 By way of a supplementary question Mr. Morris asked:

“Can this Green Council explain why they have not been proactive and taken action sooner themselves; or through the management agent?”

- 27.5 The Chair noted he would respond to Mr. Morris in writing after the meeting, and this response would be included in the formal minutes as set out below.

“Over the last two years the councils managing agents have been consistently proactive in contacting the tenants to insist that various repairs are carried out, and originally such requests were met. However, over the last nine months the agents requests have been ignored despite follow up attempts to press for repairs to be carried out. The agents will continue to take a proactive approach to remedying the position but ultimately their hands are tied under law hence the Council’s planned course of action regarding serving a formal schedule of dilapidations accompanied by a notice to forfeit their lease.”

- 27.6 The Chair noted that no other petitions, public questions or deputations had been received for the meeting.

## **28 MEMBER INVOLVEMENT**

- 28.1 The Chair noted that there was one Notice of Motion, as listed in the agenda, which had been referred from the Council meeting held on 8 May 2014. He recognised the role of food banks in tackling food poverty, and was pleased the motion had been supported at Council. There were currently ten food banks in the city which were run by local and independent groups responding to local demand and this had increased from only two 2013. The Council had a tripartite approach to food poverty, and worked in partnership with others by commissioning grants and delivering some services directly. The Chair stated that he was minded not to call for a report, and focus attentions on addressing the issues at hand.
- 28.2 Councillor Randall noted his support for Brighton and Hove Foodshare which ran weekly food banks. Food banks were not just important to address food poverty, but also served as a means of access for individuals with other social needs. This was also a means to ensure individuals were in receipt of benefits they were entitled to, and provide opportunities for digital learning.
- 28.3 Councillor Morgan acknowledged the work that had already been undertaken and asked that a report be brought forward to demonstrate the commitment of the Council to look at the matter in a much broader sense. The Chair noted that he had recently written to the managers of all the large supermarkets in the city and asked for their support in thus work.
- 28.4 The Chair then put the matter to the vote:
- 28.5 **RESOLVED:**
- i) That the Committee note the Notice of Motion; and,
  - ii) That the Committee request a full Officer report be brought to a later meeting for consideration.

**29 TREASURY MANAGEMENT POLICY STATEMENT (INCORPORATING THE ANNUAL INVESTMENT STRATEGY) END OF YEAR REVIEW 2013/14**

- 29.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to the Treasury Management Policy Statement 2013/14 – End of Year Review. The 2013/14 Treasury Management Policy Statement (TMPS) practices and schedules were approved by the Committee on 21 March 2013. The TMPS set out the role of Treasury Management; whilst the practices and schedules set out the annual targets and methods by which those targets would be met. The TMPS included the Annual Investment Strategy (AIS) which set out the key parameters for investing Council cash funds and was approved by Council on 28 March 2013 and amended on 12 December 2013. Good practice recommended that Members receive biannual reports and reviews, and endorse the treasury management actions during the year.
- 29.2 Councillor Sykes thanked Officers for the report, and welcomed the prudent management of the organisation's finances. He supported the establishment of the Municipal Bonds Agency in view to it creating competition in public sector borrowing.
- 29.3 Councillor A. Norman noted the consistent high standard of the work undertaken by Officers; she went on to add that she also welcomed the creation of the Municipal Bonds Agency to provide local authorities more opportunities to borrow. In response to a query the Executive Director for Finance & Resources explained that the minimum capital raising requirement had been met for the Municipal Bonds Agency, but the agency was still requesting further contributions. The TBM report listed at Item 30 on the agenda would give the Executive Director authority, in consultation with the Leader and Leaders of the Oppositions Groups, to allocate additional funding as more information came forward.
- 29.4 Councillor G. Theobald welcomed the creation of the agency as means to allow local authorities to be more proactive.
- 29.5 Councillor Hamilton noted that he agreed with the comments made by Councillor A. Norman and added that internal audit had provided 'substantial assurance' in January 2014.
- 29.6 The Chair then put the recommendation to the vote.
- 29.7 **RESOLVED:**
- 1) That the Committee endorses the key actions taken during the second half of 2013/14 to meet the treasury management policy statement and practices (including the investment strategy) as set out in this report.
  - 2) That the Committee notes that the approved maximum indicator for investment risk of 0.05% has been adhered to and the authorised limit and operational boundary have not been exceeded.

**30 TARGETED BUDGET MANAGEMENT (TBM) 2014/15 MONTH 2**

- 30.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Targeted Budget Management (TBM) 2014/15 (Month 2). TBM was a key

component of the Council's overall performance monitoring and control framework; the report set out the forecast outturn position (Month 2) on the Council's revenue and capital budget for the financial year 2013/14. The position indicated significant pressures across social care budgets; however, it was noted that there were many months remaining in which to take mitigating actions or develop other recovery measures to improve the position and reduce potential risks.

- 30.2 Councillor Sykes thanked Officers for the report, and recognised the significant pressures outlined in it. It was noted that the Council would be expected to make savings in the region of £25m as part of the 2015/16 budget, and it was hoped the forecast position in relation to Adult Services and Children's Services would improve and reduce the pressure on the 2015/16 budget.
- 30.3 Councillor A. Norman thanked Officers for their continued commitment to the organisation, but went on to note her concerns that underspend in the 2013/14 budget had been turned around. Reference was made to the comments in conclusion at paragraph 6.1 of the report, and queried if the decision taken at the last Committee to not progress a Local Authority Trading Company would be revisited. Councillor A. Norman added that the Conservative Group had been unsuccessful in convincing the other political groups look more at market assessments; she noted that other proposed savings in relation to partnership and commissioning had not come started coming forward, and the percentage of uncertain 'value for money' savings was 50%.
- 30.4 In response to queries from Councillor A. Norman the Executive Director for Finance & Resources agreed that in previous in years the organisation had successfully reduced an early forecast overspend; however, the scale of that challenge was substantially greater at this point in time. It was not recommended that the Committee revisit the previously proposed Local Authority Trading Company for Adult Social Care, but alternative proposals needed to be developed and it was important there be a focus on Adult and Children's Services. Some of the solutions, in terms of commissioning, were much more long term and would need more planning; therefore these were not explicit as they would be difficult to implement this financial year.
- 30.5 The Executive Director for Environment, Development & Housing stated, in response to Councillor A. Norman, that Officers were meeting with the Department for Communities & Local Government (DCLG) in relation to potential innovations with private sector housing.
- 30.6 Councillor Morgan noted that, whilst the early forecast overspend was higher than the previous year, the Council had addressed this through the financial year, but he added he was cautious not to down play the risk to the authority. He stated he did not agree with market assessments, but agreed that there were alternative ways to do things that could not be delayed until after the local election in 2015. Councillor Morgan went on to note the reference in the report to the underachievement of some car parks in the city, and asked that if the road works on King's Road were to continue through the summer the area be kept as tidy and presentable as possible due to the prominent seafront location: the Executive Director for Environment, Development & Housing agreed to pick this matter up.
- 30.7 Councillor G. Theobald asked specific question in relation to level of trade union contributions made by the Council; in response the Executive Director for Finance &

Resources explained there were options to negotiate a different level. There was currently a budget pressure in HR in relation to trade unions, but these were long standing arrangements that would need addressing.

- 30.8 Councillor Davey noted that, despite some underspend, the car parking revenue was doing well; this was combined with increasing numbers of visitors to the city.
- 30.9 Councillor Hamilton noted that finance management in Children's Services had been very good in recent years, and he felt confident that the forecast overspend would be managed by the end of the financial year.
- 30.10 The Chair noted his concerns that the budget pressures in Adult's and Children's services was growing; there was an acknowledgment that social care was one of the most significant budgetary pressures, and the administration was seeking a moderate increase in Council Tax to address this. He expressed concern in relation to overconfidence that the forecast overspend would be adjusted through the financial year.
- 30.11 Councillor A. Norman commended the talent of the Executive Leadership Team, and she appealed to all Members to very carefully consider their advice very carefully.
- 30.12 The Chair then put the recommendation to the vote.
- 30.13 **RESOLVED:**
- 1) That the Committee note the total forecast outturn position for the General Fund, which is an overspend of £6.031m. This consists of an overspend of £5.851m on council controlled budgets and an overspend of £0.180m on the council's share of the NHS managed Section 75 services.
  - 2) To agree the transfer of £0.500m recurrent risk provision to Adult Social Care following the decision not to progress a Local Authority Trading Company, thus reducing the forecast overspend to £5.531m.
  - 3) That the Committee note that there is a further £1.890m of as yet unallocated risk provision that could be used to mitigate against this overspend.
  - 4) That the Committee note the forecast outturn for the Housing Revenue Account (HRA), which is an underspend of £0.029m.
  - 5) That the Committee note the forecast outturn position for the Dedicated Schools Grant which is an overspend of £0.007m.
  - 6) That the Committee note the forecast outturn position on the capital programme.
  - 7) That the Committee approve the following changes to the capital programme.
    - i) *The variations and reprofiles in Appendix 3 and the new schemes as set out in Appendix 4.*

- 8) That the Committee delegate authority to the Executive Director of Finance & Resources in consultation with the Chair of Policy & Resources Committee and the Opposition Leaders to commit a maximum of £50,000 capital expenditure as an investment in the Municipal Bonds Agency subject to the conditions set out in paragraph 3.15.

### **31 WAIVERS OF CONTRACT STANDING ORDERS**

- 31.1 **RESOLVED:** That Policy & Resources Committee notes the number and value of waivers authorised under Contract Standing Orders 18.2,18.3 and 18.4 during the financial year 2013/2014.

### **32 BUDGET AND CORPORATE PLAN PREPARATION**

- 32.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to the Budget and Corporate Plan Preparation. The report began the planning process for the 2015/16 budget alongside the longer term development of the Council's next Corporate Plan which would run until 2019. The report set out closer integration the Council's long term service and financial planning with a clearer focus on commissioning for outcomes for residents. Central Government deficit reduction measures were in the region of 50% complete both in terms of timescales and the value of expenditure reductions. Any changes to Central Government as a result of the May 2015 parliamentary election and any improvement in the national economic forecast were expected to make only a very marginal difference to the scale of funding facing local government. The budget gap was projected to be between £21.2m and £25.4m for 2015/16 and a further £67.2m over the following four years.
- 32.2 Councillor Sykes thanked Officers for the report and welcomed the consultation process outlined in the report. He stated the position of the Administration would constitute a less than inflation increase in Council Tax over the life of the administration. A referendum on a 5.9% Council Tax rise was considered to be the right option for the city, and he refuted the positions put forward by both opposition parties.
- 32.3 Councillor A. Norman noted her view that it would not be a good use of Officers time preparing the detail of a budget with a 5.9% Council Tax increase on the basis that the proposal would be defeated at Budget Council. She noted the proposed amendment put forward by her group, which she was seconding, in relation to a Council Tax freeze and added that there would no significant change to the funding situation from Central Government regardless of the outcome of the 2015 General Election. In response to Councillor A. Norman's specific question about New Homes Bonus the Executive Director for Finance & Resources noted she would respond outside of the meeting.
- 32.4 Councillor Morgan noted that he had agreed to work with the Administration constructively in relation to the difficult financial situation, but he had wanted any discussions to take place before the matter became highly politicised. He went on to add that many of the poorest individuals and families would not feel the benefits of the level of increase to Council Tax proposed by the Administration, and that a policy of addressing the Central Government reduction in the grant fund to local authorities through increased Council Tax was not sustainable. The position of the Labour & Co-Operative Group would be to launch a 'fairness commission' for 12 months through the

existing policy and scrutiny teams in the Council. Councillor Morgan stated that a Labour Central Government would make a difference locally with measures such as increased devolution of funding, and finally added that the Labour amendment he proposed called for a threshold increase to Council Tax.

- 32.5 The Chair stated that the intention had been to allow all parties as much time as possible to openly discuss budget proposals, and the position of the Administration sought to protect the poorest family that would be the hardest hit by the reduction in Central Government Funding. A freeze in the rate of Council Tax would permanently weaken the Council Tax base and reduce the worth of any future increases. Both the Conservative and Labour parties had committed themselves to further funding reductions post-2015, and this would create greater pressure on services. The Chair also stated that the public would welcome the debate, and hoped the Committee could also consider the consultation elements outlined in the report.
- 32.6 Councillor Sykes noted that it was positive the Council would be discussing the 2015/16 budget this early, and noted he had already met with the finance spokespersons from both the Conservative and Labour Groups.
- 32.7 Councillor Davey noted the use of the LEP as the most significant source for funding for major projects, and noted that the Council needed to present itself as a credible partner in this environment.
- 32.8 Councillor G. Theobald noted the Shadow Secretary of State for the DCLG had been clear at the recent LGA conference there would be no additional funding for local government under a Labour led Central Government. He noted that local authorities needed to look at doing things different, and he commended the approach taken by the Executive Director for Finance & Resources. The Conservative Group were happy to work with other parties in the interests of the city, and their position remained to reduce the budget based on a Council Tax freeze – as set out in their proposed amendment.
- 32.9 Councillor Robins noted the additional areas discussed in the report and recommendations and hoped there could be more cross-party collaboration on these matters.
- 32.10 Councillor Hamilton noted he was seconding the amendment on behalf of the Labour & Co-Operative Group. In response to a question he raised the Executive Director confirmed that those in receipt of Council Tax Benefits were liable for a proportion of the total amount payable, therefore, if the rate increased so would the proportion. Regardless of the outcome of the vote on the amendments and recommendations Officers would be able to work up a range of proposals for Members to consider.
- 32.11 The Chair then put the Labour amendment to recommendation 2.2 (as set out below) to the vote:
- “Instruct the Executive Leadership Team (ELT) to develop budget proposals for 2015/16, for submission to Policy & Resources Committee for consideration, based on a 2% increase in Council Tax.”
- 32.12 The amendment was **not carried**.

32.13 The Chair then put the Conservative amendment to recommendation 2.2 (as set out below) to the vote:

“Instruct the Executive Leadership Team (ELT) to develop budget proposals for 2015/16, for submission to Policy & Resources Committee for consideration, based on a Council Tax freeze.”

32.14 The amendment was **not carried**.

32.15 The Chair then put recommendations 2.1 and 2.3 to 2.6 to the vote and these **were agreed**.

32.16 The Chair then put the substantive recommendation 2.2, as outlined in the report, to the vote, and this was **not carried**.

32.17 The Chair then proposed an amended recommendation 2.2 as set out below and put this to the vote:

“Instruct the Executive Leadership Team (ELT) to develop budget proposals for 2015/16, for submission to Policy & Resources Committee for consideration.”

32.18 The proposed amendment **was carried**.

32.19 It was clarified to the Committee that Officers would work up proposals with a view to giving consideration to the different positions of each of the three political groups.

32.20 **RESOLVED:** That the Committee

- 1) Note the resource and expenditure projections for 2015/16 and the Medium Term Financial Strategy (MTFS) projections set out in the body of the report and appendices 1 to 5.
- 2) Instruct the Executive Leadership Team (ELT) to develop budget proposals for 2015/16, for submission to Policy & Resources Committee for consideration.
- 3) Require budget proposals to be developed by ELT alongside the creation of a new Corporate Plan for 2015-19, ensuring strong links between the Medium Term Financial Strategy and service and business planning.
- 4) Agree the approach to consultation, engagement and scrutiny as set out in section 5 of this report, which will be designed to shape the new Corporate Plan and Medium Term Financial Strategy as well as the 2015/16 Budget.
- 5) Agree the proposed approach to reviewing the Council Tax Reduction Scheme as set out in paragraphs 3.15 to 3.20.
- 6) Note the resource projections for the capital investment programme as shown in appendix 5.



**33 CITY PLAN PART ONE - CHANGES ARISING FROM EXAMINATION PROCESS**

33.1 This item was deferred.

**34 ANNUAL PERFORMANCE UPDATE 2013/14**

- 34.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to the Annual Performance Update 2013/14. The report reviewed the performance progress of the authority during 2013/14. The report showed progress in the areas of success against the corporate plan and the Council's organisational health measures, and how well the priorities in the Sustainable Community Strategy were being delivered. The report also provided an explanation of the reinvigoration of the organisation around the principles of performance management.
- 34.2 Councillor Sykes thanked Officers for the clear and useful report; he noted the level of indicators at green and amber in the report and the general trend upwards. The exceptions in the report were being addressed, but the process was also important for gaining an understanding of why the Council was off target, and what appropriate measures could be taken.
- 34.3 In response to Councillor Morgan the Assistant Director for Education & Inclusion explained that the work being undertaken in relation to Maths underachievement in the city included increased funding for a Maths Project; secondments of high quality Maths Teachers to push standards and sharing good practice. There was also work with the two universities in the city and some changes to the use of the Pupil Premium which it was hoped would have an impact.
- 34.4 Councillor A. Norman drew particular positive attention to: the recording of crimes; GCSE results, and the standards of early year's child provision. She expressed her concerns in relation to the performance gap of young people in receipt of free schools meals. In response to a question the Head of Strategy & Projects explained there was incomplete information in relation to the number of missed collections due problems in the service for the first nine months of the year, and the priorities of the service had been to address the high call volume. Since the situation had improved the monitoring of missed collections was now being accurately recorded.
- 34.5 The Executive Director for Finance & Resources responded to a further question from Councillor A. Norman and stated that there were ongoing concerns in relation to the levels of staff sickness. There were new measures in place, but it was too early to know if these had been successful at this time – assurance was provided that the organisation was taking this matter very seriously.
- 34.6 Councillor Davey noted that there was a general trend of improvement in air quality across the city, and gave example of the improvements in Lewes Road; he also welcomed the cross-party support for the low admissions zone. He drew attention to successful bids in collaboration with the bus company and noted there were planned improvement works to North Street.
- 34.7 In response to Councillor Robins it was explained that the number of allotment plots had stayed the same, but there had been work undertaken to review the number of people on the waiting list; there were also new initiatives such as micro plots being introduced.

34.8 The Chair then put the recommendation to the vote.

34.9 **RESOLVED:**

- 1) That the Committee note the areas of highlighted performance.
- 2) That the Committee authorises Officers to take the necessary measures to maintain progress and tackle issues of concern highlighted in the report.

### **35 MINIMUM BUYING STANDARDS FOR CATERING CONTRACTS**

35.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Minimum Buying Standards for Catering Contracts. Minimum Buying Standards (MBS) for catering contracts had been developed to deliver the Corporate Procurement Strategy aim 'to ensure value for money is achieved whilst the council operates as a "responsible procurer" taking account of social, economic and environmental impacts'. Approval was sought to adopt these standards across Council catering contracts.

35.2 The Chair noted that when this had been rolled out in schools the uptake of school meals had increased.

35.3 Councillor Sykes described this piece of work as fantastic, and thanked the work of Officers and the Food Partnership; he hoped the rest of the Committee would be able to support the recommendations. He noted that the full list of standards was set out in the report, and in some instances this had been able to help achieve cost reductions.

35.4 Councillor A. Norman noted her support for the report, and stated that the Food Partnership had done some excellent work. It was important the Council take a lead to support local farmers and producers.

35.5 Councillor G. Theobald noted his enthusiasm for this work, and his support for the report.

35.6 The Chair then put the recommendations to the vote.

35.7 **RESOLVED:** That the Committee:

- 1) Agree that the proposed minimum buying standards, as set out in Appendix 1, be specified in the Council's future procurement of catering contracts; and,
- 2) Grant delegated authority to the Executive Director for Finance & Resources to take all necessary measures to implement the recommendation at 2.1.

### **36 HOME TO SCHOOL SPECIAL NEEDS PUPILS TRANSPORT AND OTHER SOCIAL CARE TRANSPORT CONTRACT**

36.1 **RESOLVED:** That the Committee:

- 1) Approve the procurement of a framework agreement for home to school transport for pupils with special educational needs and other transport for vulnerable

children and adults on behalf of social care teams, for a term of four years from 1 September 2015 to 31 August 2019;

- 2) Grant delegated authority to the Executive Director of Children's Services to carry out the procurement of the framework agreement referred to in 2.1 above including the award and letting of the framework agreement.

### **37 PROCUREMENT OF WASTE AND RECYCLING CONTRACT**

- 37.1 **RESOLVED:** That the Committee grants delegated authority to the Executive Director, Finance & Resources to approve the procurement and award of a contract for the supply of commercial waste refuse disposal and recycling services to the council with a term of up to a maximum of four (4) years.

### **38 SHARED LIVES (TENDER CONTRACT)**

- 38.1 The Committee considered a report of the Executive Director for Adult Services in relation to Shared Lives – Tender Contract. The report sought approval to award a contract for the provision of the Shared Lives and Kinship scheme for three years from 1 April 2015; the Council would have an option to extend the contract period by a maximum of two years.

- 38.2 In response to Councillor G. Theobald the Executive Director for Adult Services noted that the Committee had been in receipt of emails from the Grace Eyre Foundation; she provided assurance that the foundation had been involved in the consultation process, and Officers were happy to facilitate further dialogue if required.

- 38.3 Councillor A. Norman noted that she had received correspondence from the foundation; however, she was assured by the response from the Executive Director and that the concerns expressed would be properly addressed.

- 38.4 The Chair added that the dialogue had already been taking place, but that not all the community were aware; the new contract would also only apply to new placements.

- 38.5 The Chair then put the recommendation to the vote.

#### **38.6 RESOLVED:**

- 1) That Committee approves the tendering of the Shared Lives and Kinship services through an approved procurement process during the financial year 2014-15 for the subsequent three to five years (i.e. contract period April 2015 to March 2018 with an option to extend by up to a further two years).
- 2) That delegated authority is granted to the Executive Director of Adult Services to approve the award of a contract to the successful bidders following recommendations of the tender evaluation panel and consultation with the Lead Member for Adult Social Care and Health.

**39 CASH IN TRANSIT CONTRACT**

- 39.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to the Cash in Transit Contract. Due to the early termination of the foregoing cash in transit and ancillary services contract it had been necessary to award a new contract for a term of two years with immediate effect to ensure business continuity and minimise the risk to cash and cheques collected across the Council and the subsequent impact on cash flow. The report set out urgency action taken by the Executive Director for Finance & Resources in accordance with Part 6.2 A 7(2) of the constitution.
- 39.2 The Chair noted that he had been fully briefed at the time, and was satisfied the Council had taken all appropriate steps to minimise risk.
- 39.3 Councillor A. Norman noted that the action of the Executive Director was entirely appropriate, but queried the increased cost of the new contract. In response the Executive Director explained that until recently the previous contractor had provided a good service; however, it was considered that the risk to the service outweighed the reduction in costs of the contract.
- 39.4 The Chair then put the recommendation to the vote.
- 39.5 **RESOLVED:** That the Committee note the urgency action taken by the Executive Director Finance & Resources after consulting the Chair of the Policy & Resources Committee.

**40 HOVE TOWN HALL, SOUTH END, OFFICE OPTION**

- 40.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Hove Town Hall, South End, Office Option. The report outlined an alternative proposal for the south end of Hove Town Hall; namely the conversion of the first floor spaces into an office which could be occupied by other external public or private service organisations that had potential synergies with existing council services to promote collaborative working.
- 40.2 Councillor G. Theobald stated that it was sensible to collocate with partners, but he still questioned if Hove Town Hall was the right location to do this. He agreed with the disposal of King's House, but he did not think investing the proceeds into the renovation of Hove Town Hall was the correct way option. A location such as Sussex House might be more appropriate for offices and Hove Town Hall could be considered as a site for a school.
- 40.3 Councillor Morgan noted the decision in relation to sale of King's House and the renovation of Hove Town Hall had already made and he did not believe it needed to be revisited. He supported collocation, and asked if there were ways to provide grant relief to third sector organisation and partners through accommodation arrangements.
- 40.4 In response to Councillor Peltzer-Dunn the Executive Director for Finance & Resources explained that the report sought delegated authority to engage with those potentially interested in the space and the additional investment and borrowing that was not within the scope of the original recommendation. It was also confirmed that benchmarking

work had been undertaken and Officers were confident a competitive market rate could be achieved.

40.5 Councillor Randall provided assurance that Officers were discussing all possibilities with partner organisations.

40.6 The Chair then put the recommendation to the vote.

40.7 **RESOLVED:**

- 1) That the Committee approve the refurbishment of the south end of Hove Town Hall as specified in paragraph 3.5 of this report.
- 2) That the Executive Director for Finance & Resources be granted delegated authority:
  - (i) to commence appropriate engagement and negotiations with potential service providers and organisations, in relation to the proposed refurbishment referred to in paragraph 2.1 above; and
  - (ii) to grant leases to such service providers and organisations on such terms as the Director considers appropriate.

**41 PORTSLADE SPORTS CENTRE - FUTURE MANAGEMENT ARRANGEMENTS**

41.1 The Committee considered a report of the Executive Director for Children's Services in relation to Portslade Sports Centre – Future Management Arrangements. The report set out the options for the future management arrangements of Portslade Sports Centre following discussions with Portslade Aldridge Community Academy and the Aldridge Foundation.

41.2 Councillor Randall noted he hoped third sector providers could be considered.

41.3 In response to Councillor Hamilton the Sports Facilities Manager explained that the charges were currently comparable with the other sports facilities in the city and broadly in line. In terms of price protection there was a mechanism in the current contract for increases only in line with inflation; any greater increase would need to be agreed by the relevant Committee – which in this instance was the Economic Development & Culture Committee. It was Officers intention to use the same mechanism in this contract.

41.4 Councillors Robins noted his support for Option 3 in the report.

41.5 In response to Councillor Peltzer Dunn it was clarified that recommendation 2.2 in the report would allow for a ten year contract to be extended for an additional 5 years if the Council wished; this was the same provision in the existing sports facilities contracts.

41.6 The Chair then put the recommendation to the vote.

41.7 **RESOLVED:**

- 1) That the Committee gives approval to undertake a procurement process to seek an external operator to manage Portslade Sports Centre.

- 2) That the Committee grants delegated approval to the Executive Director of Children's Services to:
  - (i) Appoint an external operator on a six year management contract from 1 April 2015 to be coterminous with the citywide Sports Facilities Contract
  - (ii) Grant an extension to the management contract for a period of up to five years should it be required in order to be coterminous with the citywide Sports Facilities Contract.

## **42 STANMER PARK MASTER PLAN & APPLICATION FOR HERITAGE LOTTERY FUND GRANT FUNDING**

- 42.1 The Committee considered a joint report of the Executive Director for Finance & Resources and the Executive Director for Environment, Development & Housing in relation to the Stanmer Park Master Plan & Application for Heritage Lottery Fund (HLF) Grant Funding. The report proposed to submit a HLF grant application to help deliver the Masterplan once finalised. The report also: summarised the progress made to date on the project; sought approval to progress the HLF bid; set out the proposed governance arrangements to oversee the delivery and sought permission to consult on the Master Plan.
- 42.2 The Chair noted that the South Downs National Park was a key partner in this work, and were committed a permanent base at the site.
- 42.3 Councillor Sykes noted the significance of the site, and the number of heritage assets it contained. He felt the plan was very robust, but noted there were still some matters, such as the relocation of the depot, to be fully thought through.
- 42.4 In response to Councillor G. Theobald it was explained that the 'Long Barn' was considered one of the key buildings on the site, and close work with the national park was being undertaken as the building was considered to have the most potential to generate income. Following a further query the Executive Director for Environment, Development & Housing explained that all sites were kept under review where there had been unlawful encampments and these considerations would be part of the masterplan arrangements.
- 42.5 The Chair then put the recommendations to the vote.
- 42.6 **RESOLVED:**
  - 1) That the Committee agrees the approach outlined in this report to apply for grant funding for the Stanmer Project which includes the submission of a Stage 1 Parks for People application in August 2014 and a Heritage Grant in October 2014.
  - 2) That the Committee notes the funding requirements for the project and agrees in principle the ring fencing of the match funding identified in this report and to explore options to meet the shortfall in match funding.

- 3) That the committee delegates authority to the Executive Director of Environment, Development & Housing and the Executive Director of Finance & Resources to oversee the completion of the Stage 1 funding bids and to sign off the final documents prior to submission to HLF.
- 4) That the committee agrees in principle to the relocation of the City Parks Depot out of Stanmer Park and authorises officers to continue to look into alternative locations and funding options for the relocation.

#### **43 DISPOSAL OF 18 MARKET STREET**

##### **43.1 RESOLVED:**

- 1) That the Committee authorise the disposal of 18 Market Street to the purchaser identified at the sale price agreed.
- 2) That the Committee note that the capital receipt received may be used for reinvestment to provide an ongoing income stream to support the council's Corporate Plan and Medium Term Financial Strategy and this will be subject to a future report to this Committee.

#### **44 APPOINTMENT TO THE FIRE AUTHORITY**

- 44.1 The Chair noted that the nomination from the Green Group was Councillor Deane, and formally put this to the vote.
- 44.2 **RESOLVED:** That Councillor Deane be appointed as a representative on the Fire Authority.

#### **45 ITEMS REFERRED FOR COUNCIL**

- 45.1 There were no items referred to the Council meeting on 17 July 2014.

#### **46 STANMER PARK MASTER PLAN & APPLICATION FOR HERITAGE LOTTERY FUND GRANT FUNDING - EXEMPT CATEGORY 3**

- 46.1 **RESOLVED:** That the information contained in the appendix be noted.

#### **47 DISPOSAL OF 18 MARKET STREET - EXEMPT CATEGORY 3**

- 47.1 **RESOLVED:** That the information contained in the appendix be noted.

#### **48 PART TWO MINUTES - EXEMPT CATEGORY 3**

- 48.1 **RESOLVED:** That the Part 2 minutes of the last meeting held on 1 May 2014 be approved as a correct record of the proceedings and signed by the Chair.

**49 PART TWO PROCEEDINGS**

- 49.1 **RESOLVED:** That the information contained in the appendix, Items 46 & 47, relating to the reports listed at items 42 & 43 on the agenda and the minutes of the last meeting item 44 remain exempt from disclosure to the press and public.

The meeting concluded at 4.41pm

Signed

Chair

Dated this

day of

2014



**Subject:** Petitions  
**Date of Meeting:** 8 October 2014  
**Report of:** Head of Law & Monitoring Officer  
**Contact Officer:** Name: Ross Keatley Tel: 29-1064  
E-mail: [ross.keatley@brighton-hove.gcsx.gov.uk](mailto:ross.keatley@brighton-hove.gcsx.gov.uk)  
**Wards Affected:** All

**FOR GENERAL RELEASE**

**1. SUMMARY AND POLICY CONTEXT:**

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

**2. RECOMMENDATIONS:**

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

**3. PETITIONS**

- 3.1 Notified petitions:

**3.1.1 (i) Drug and Alcohol Misuse Services – UNISON**

To receive the following petition signed by 1608 signatures and the accompanying ePetition signed by 573 signatures:

*“We the undersigned petition Brighton & Hove Council: Please don’t dismantle our public services. Keep Brighton’s drug and alcohol services in the NHS and don’t put out to tender.”*

*Lead petitioner – UNISON Sussex Partnership Branch*

**WRITTEN QUESTIONS FROM MEMBERS OF THE PUBLIC**

A period of not more than fifteen minutes shall be allowed for questions submitted by a member of the public who either lives or works in the area of the authority at each ordinary meeting of the Committee.

Every question shall be put and answered without discussion, but the person to whom a question has been put may decline to answer. The person who asked the question may ask one relevant supplementary question, which shall be put and answered without discussion.

The following written question has been received from a member of the public.

**(a) Valerie Paynter**

“Earlier this year, when private developers Marks Barfield failed to achieve funding to put up their i360 viewing tower on our seafront, Policy & Resources agreed to borrow £36m from the Public Works Loan Board to lend on to them to get it built, but, in hopes too of profiting from the loan differential. Loans from the Public Works Loan Board are secured loans. What security will Brighton & Hove City Council formally use to guarantee repayment of the £36m?”

**Reply from Councillor J. Kitcat, Leader of the Council**



<b>Subject:</b>	<b>City Plan Part One - Changes arising from Examination Process</b>		
<b>Date of Meeting:</b>	<b>Policy &amp; Resources Committee – 16 October</b>		
<b>Report of:</b>	<b>Director Environment, Development and Housing</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Helen Gregory Liz Hobden</b>	<b>Tel: 29-2293</b>
	<b>Email:</b>	helen.gregory@brighton-hove.gov.uk	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 To seek approval to progress the City Plan Part One which is the city's strategy for land use, development, and infrastructure to 2030. The City Plan is of fundamental importance to the city's future prosperity. It provides an imperative for delivering much needed affordable homes and for encouraging sustainable development and high quality design. The City Plan provides the strategic planning framework to underpin the work of the Greater Brighton Economic Board; a strong grounding for Duty to Co-operate work with adjoining authorities and the preparation of neighbourhood plans.
- 1.2 The City Plan Part One remains under examination by an independent Planning Inspector appointed by the Secretary of State. The Planning Inspector has given the city council an opportunity to make main modifications to the Plan to address her soundness concerns. She has indicated (letter 27 June, see appendix 1) that if a positive decision to consult on those modifications is not made by October 2014 this could lead her to expect that the city council will withdraw the Plan.
- 1.3 The consequence of not having an adopted Plan would be 'planning by appeal', inappropriate development which would undermine a positive and balanced approach to future growth and jeopardise investment.
- 1.4 This report summarises the Inspector's Initial Conclusions on the soundness of the Plan (the letter and her subsequent correspondence is included at Appendix 1), and highlights the further work undertaken in response and modifications to the City Plan required in order for her to find it sound. The Inspector cannot conclude the examination and the City Plan cannot be adopted until her concerns are addressed through changes ('modifications') to the City Plan.

- 1.5 The most significant requirement of the Inspector was for the council to more rigorously investigate opportunities for potential housing sites in the urban fringe (Urban Fringe Assessment) and only then would she be in the position to consider whether the Plan could be found sound.
- 1.6 The changes proposed as a result of the Inspector's Initial Conclusions, (set out in Appendix 2) are considered to represent a major shift in policy in the City Plan and are therefore referred to the Policy & Resources Committee for approval. Other proposed modifications to the Plan have largely been made in response to submission stage consultation responses and are not considered to represent a major shift in policy. These are referred to Committee for information and are set out in full in Appendix 3 (a copy is in Members' Rooms).
- 1.7 This report also seeks approval of updated studies and assessments as background evidence documents to support the City Plan. A summary of these updated/ amended background documents is set out in Appendix 4 and copies have been placed in Members' Rooms.
- 1.8 The report seeks authority to go out to public consultation on the proposed changes to the Plan and the responses will be sent to the Inspector.

## **2. RECOMMENDATIONS:**

That the Committee:

- 2.1 Approves the proposed main modifications to the City Plan Part One set out in Appendix 2 that represent a major shift in policy in the City Plan.
- 2.2 Notes the remaining proposed modifications set out in the Full Schedule (Appendix 3) and authorise that the Head of Planning and Public Protection may make any necessary minor amendments to the Full Schedule prior to public consultation;
- 2.3 Approves a six week period of public consultation on the Full Schedule of Proposed Modifications to the Submission City Plan Part One (along with the new / updated supporting documents) commencing 4 November;
- 2.4 Authorises the Head of Planning and Public Protection to agree any further draft "main modifications" to the City Plan Part One necessary to make it sound and to authorise the publication of such draft modifications for public consultation save that should any draft modification involve a major shift in the policy approach of the City Plan Part One the draft modification shall be referred by the Head of Planning and Public Protection to the Policy & Resources Committee for approval.

- 2.5 Approves the following studies as supporting evidence for the City Plan and further Development Plan Documents (summarised in Appendix 4):
- Sustainability Appraisal
  - Appropriate Assessment Update
  - Health and Equalities Impact Assessment Update
  - Transport Assessment Update
  - Exceptions and Sequential Test Update (flood risk)
  - Strategic Housing Land Availability Assessment 2014 update
  - Urban Fringe Assessment Study
  - Assessment of Housing Development Needs Study: Sussex Coast Housing Market Area, May 2014
  - Housing Implementation Strategy
  - Addendum to the Infrastructure Delivery Plan
  - Combined Policy Viability Study Update
  - Duty to Cooperate Statement Update

### 3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The City Plan Part One is the city's strategy for development, infrastructure and land use in Brighton & Hove to 2030. It will help to deliver the right type of development in the right places including housing, business space and schools. Through its identification of Development Areas and strategic allocations it sets out the planning framework to secure the regeneration of key sites and the provision of city infrastructure requirements. It is also an important delivery mechanism for other strategies in the city, e.g. Sustainable Community Strategy, Student Housing Strategy and the Economic Strategy. Adoption of the Plan is critical to ensure that planning decisions reflect local priorities. In addition it will ensure that two recent Article 4 Directions on student accommodation and HMOs and central offices can be implemented effectively. Until then, key planning decisions will be based upon the 'presumption in favour of sustainable development' in the National Planning Policy Framework (i.e. development should be allowed unless there is significant and demonstrable harm).

#### City Plan timeline:

- **31 January 2013** - Council agreed that the City Plan should be submitted to the Secretary of State for examination.
- **February – March 2013** - 6 week formal consultation; 85 respondents submitted representations to the City Plan.
- **June 2013** - the City Plan, supporting documents and representations were submitted to the Secretary of State for consideration.
- **June 2013** - Secretary of State appointed Inspector Laura Graham BSc MA MRTPI to examine the Plan.
- **July 2013** - The Inspector identified a number of issues and matters for discussion at the hearings. The key areas of discussion related to the Duty to Cooperate, housing land supply and viability issues.

- **October 2013** - Hearings in public held over 6 days in late October at the Brighthelm Centre.
- **13 December 2013** - Initial Conclusions letter published.

3.2 It reflected well on the Council at the hearings that so many of the issues raised by the 85 respondents at the submission consultation stage had been resolved prior to the hearing sessions. This involved meeting respondents, agreeing statements of common ground and drafting proposed changes to the plan to address their concerns. The proposed changes to the Plan put forward by officers before and as a result of hearing discussions are not considered to represent a significant policy shift (see Appendix 3).

### **Initial Conclusions Letter**

3.3 The Inspector considered that the city council had met the legal requirements of Duty to Cooperate (which has been a significant hurdle for many local authorities). However, she considered that the council had not done enough to reduce the level of shortfall between the housing target in the city plan (11,300 units) and objectively assessed housing needs (20,000). Specifically, that the council needed to look more carefully at the urban fringe for potential housing sites. She also made comments on the Brighton Marina policy and viability relating to sustainable building standards.

3.4 The consequence of the Initial Conclusions Letter is that changes need to be made to the Plan to rectify the matters the Inspector feels currently make the Plan unsound and incapable of being adopted.

3.5 The Inspector will need to issue a report on the City Plan's soundness and legal compliance before the plan can proceed towards adoption. Before this, the Inspector will consider whether further hearing sessions/ written statements are necessary following her consideration of any representations received on the proposed modifications. This will have an impact on the adoption date of the City Plan. As a consequence, it is anticipated that if further hearing sessions are required the earliest the City Plan can be adopted is July 2015.

### **Housing Land Supply Modifications (policy CP1 Housing Delivery and SA4 Urban Fringe)**

3.6 The Inspector recognised that there are significant constraints to providing land for housing development in the city. However she considered that the magnitude of the housing shortfall between the proposed City Plan housing target (11,300) and the city's objectively assessed housing need (20,000) to be significant. She considered this level of shortfall to be a failure to meet the social dimension of sustainable development as set out in the National Planning Policy Framework (NPPF). The Inspector indicated that the Council must rigorously assess all opportunities to meet housing need. It was her



initial view that the main sources of additional housing supply offering the opportunity to increase the housing target were windfall sites (small and unexpected housing development) across the plan period as a whole and urban fringe sites.

- 3.7 The Inspector went on to state that to be satisfied the council had looked more positively for housing sites and for the Plan to be found sound that the council should have 'left no stone unturned in seeking to meet as much of its housing need as possible'.
- 3.8 It is worth noting that the Inspector's initial conclusions raised no significant concerns regarding the potential for housing from brownfield sites. The City Plan has done all it can to maximise the potential for housing from brownfield sites. Through the City Plan 87% of residential development will take place on brownfield sites. The City Plan sets challenging density requirements and a positive framework for tall buildings as well as the release/ mixed use redevelopment of redundant employment sites. The aim of the City Plan is to ensure there is the right balance between land for housing and for jobs in the city as well as other city needs such as student housing.
- 3.9 The housing numbers in two Development Areas have had to be adjusted to reflect that a number of housing sites have come forward for student housing and can no longer be counted in the housing supply figures. Due to the need to safeguard the strengthening employment activities at Shoreham Harbour the housing potential for this area has been reduced. Overall, the numbers for housing on brownfield land have increased by 820 units (from windfall and SHLAA numbers)
- 3.10 The council uses many proactive measures to unlock development sites; the preparation of planning briefs and through pre-application advice. Monitoring clearly indicates that two thirds of residential brownfield sites with planning permissions have commenced. The lack of access to finance is the main reason for those sites that have not started. Even if further brownfield sites could be released for housing this would not accommodate the full extent of the shortfall of housing need and therefore housing on the urban fringe would still be needed. The strategy for bringing forward a supply of housing sites is set out in the Housing Implementation Strategy (HIS Annex 3 to the City Plan).
- 3.11 The Inspector considered that the council should investigate an additional allowance for windfall sites to the housing target. These are sites that unexpectedly become available for development and are difficult to anticipate through a Strategic Housing Land Availability Assessment (SHLAA). Such sites in Brighton and Hove are usually small sites (up to 5 units) and make a significant contribution to overall housing supply. The housing target in the Submission Plan however, made a cautious allowance for such sites towards the end of the Plan period guided by the previous Inspector's comments on the withdrawn

core strategy. This allowance has been reassessed following the current Inspector's comments and an additional allowance has been made to cover the whole plan period. The additional contribution to the increased housing target from windfall is 650 units.

- 3.12 The Inspector considered that the main housing supply issue was that the council should undertake a more rigorous assessment of the urban fringe (open space between built up area boundary and the National Park) to determine whether there is greater potential for the delivery of new housing from this source.
- 3.13 The council's own urban fringe assessment<sup>1</sup> gave significant weight to the NPPF policy (at paragraphs 73 and 74) to protect existing open spaces and to the protection of the city's biodiversity resource. Weight was therefore given to 'local designations' on sites such as local nature reserves or sites being part of the city's green infrastructure network. The Inspector disagreed with this stating: 'these sites are not subject to nationally recognised designations, which would indicate that development may be restricted'. The Inspector proposed that an assessment of the city's urban fringe should be undertaken to include a detailed analysis of whether the identified constraints to development could be satisfactorily addressed through mitigation and/or compensation measures. For example the assessment could consider the possibility of allowing some development on urban fringe sites which would secure some new good quality public open space, as part of a package of development. The Inspector's overall impression was that the starting point of previous analysis of these sites had been 'the desire to resist development'.
- 3.14 Following the Inspector's initial conclusions letter and government policy requirements officers commissioned consultants to undertake an independent study of all 66 urban fringe sites (named and mapped in Appendix 4). The Urban Fringe Assessment provides a robust analysis of the amount of housing potential that might be accommodated in the urban fringe. Sites were assessed on the basis of the parameters set out in the Inspector's initial conclusions. Following those assessment parameters, the Study concluded that there is potential for 1,180 homes on parts of 39 urban fringe sites. Overall, this potential represents 31 hectares or 7.5 % of the total area of Urban Fringe land. It should also be noted that the study found that in most cases only part of each site investigated offered potential for development (a summary of the Study findings is set out in Appendix 4).
- 3.15 Proposed Main Modifications to Policy CP1 - As a consequence of the Inspector requesting a reassessment of windfall allowance and the re-assessment of the potential for delivery of new housing from the Urban Fringe, it is proposed that the housing delivery target for the city be increased to 13,200 in order to satisfy her concerns that the council has

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<sup>1</sup> Urban Fringe Assessment Update September 2013

sought to meet as much of the identified housing needs as possible. This is reflected in modifications proposed to the Spatial Strategy and Policy CP1 Housing Delivery to acknowledge the role of the urban fringe as a potential source of housing. CP1 will need to indicate a 'broad source' single figure for 1,060<sup>2</sup> housing potential within the urban fringe and an increased windfall allowance of 1,250 (calculated by adding the additional windfall allowance of 650 units to the previous allowance). These proposed changes (set out in Appendix 2) are considered to be a significant shift in policy.

- 3.16 It should be stressed that the urban fringe sites have not been allocated for housing in the City Plan Part One. A more detailed assessment of sites with potential for housing will be undertaken to inform housing allocations as part of the preparation of Part Two of the City Plan. A particular emphasis of this detailed assessment will be the consideration of how best to ensure local housing needs are met including support for community led development, community right to build and housing co-operatives. There will be full public consultation on proposed site allocations as part of the process of preparing Part Two of the Plan (currently programmed to start following the adoption of Part 1).
- 3.17 As a consequence, the policy SA4 Urban Fringe has been modified to:
- Clarify that the Urban Fringe Assessment does not allocate housing sites; further consideration, assessment and consultation of urban fringe sites will take place before sites are allocated in Part 2 of the City Plan.
  - Emphasise the particular aspirations for urban fringe sites to meet the housing needs of the local community including support for community led development, community right to build and housing co-operatives. It should be noted that 60% (700 units) of the total housing potential identified in the Urban Fringe Assessment Study is on council owned sites. There is therefore significant potential for urban fringe housing to be affordable housing to meet local needs.
  - Provide a framework for dealing with future development proposals, including any applications that may come forward on urban fringe sites prior to the preparation and adoption of the City Plan Part Two. Should this occur, then the Urban Fringe Assessment would be a material consideration in the assessment of proposals.
  - Clarify that the mitigation of adverse impacts of development in the urban fringe would be required.
- 3.18 Consequential changes have also been made to CP16 Open Space and CP17 Sports Provision (see appendix 2).

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<sup>2</sup> The reduced figure compared to the identified potential reflects assessment of availability of the sites carried out through the Strategic Housing Land Availability Assessment 2014 update. Hangleton Bottom although identified by the Urban Fringe Assessment has having potential for housing was considered to be unavailable due to its allocation as a waste site in another plan.

## **Update to Objectively Assessed Housing Needs**

- 3.19 As a result of the proposed changes arising from the increased housing target and the urban fringe being identified as a potential source for housing a number of background evidence documents that support the City Plan Part 1 were required to be updated/ amended. This has ensured that the impact of the proposed changes on issues such as transport and city infrastructure (education, health etc) have been fully considered and appropriately appraised. The summary of these study findings are set out in Appendix 4.
- 3.20 An updated study on housing requirements has been undertaken in response to the publication of results from the 2011 Census. This Study (Assessment of Housing Development Needs within the Sussex Coast Housing Market Area) was required to ensure the evidence underpinning the Plan was up to date and robust. As a result the new figures for Brighton & Hove indicate that the housing requirement has increased from 16,000 - 20,000 to 18,000 - 24,000 additional homes by 2030. This increase is due to higher levels of migration and household formation than previously forecast. The implication is that the gap between the target and objectively assessed need has increased. As a result, the Inspector will be looking for even greater assurance that no stone has been left unturned in the search for additional homes.

## **Other Required Modifications arising from the Inspector's initial conclusions**

- 3.21 The Inspector has indicated at her initial conclusions stage, a very limited number of other policy areas where she is inviting the council to make modifications to address her concerns. These are:

### **DA2 Brighton Marina**

- 3.22 The Inspector has requested modifications to the policy to remove the restriction of development above the cliff height. It should be noted that although the Brighton Marina Act 1968 prohibits building above the cliff height unless otherwise agreed with the Council as the local authority named in the Act, the Act also provides that the planning regime operates independently of the Act. Having considered the arguments put for and against the policy presumption at the hearing session, the Inspector concluded that this restriction could unduly constrain effective delivery of development in this area. She went on to state that safeguards already exist within DA2 to protect environmental assets, quality of building design and heritage issues. The modification proposed, emphasise these safeguards through the addition of the need to take account of the cliff height issues under the development area strategy objectives.

- 3.23 The Inspector has also requested that the District Centre status for the Marina is removed as it was her opinion that the evidence did not justify its designation currently. The proposed modification still retains the need to enhance the shopping offer and range of shops at the Marina and indicates that a more detailed policy will be put forward in Part Two of the City Plan.

### **CP8 Sustainable Building Standards/ viability**

- 3.24 The Inspector considers that there was no local justification for the sustainability standards for new homes set out in the Policy CP8 to be above national standards. Further, on the basis of information before her at the examination, she considered that the proposed standards would impact on the viability of development. The NPPF requires plan proposals to be viable at the time of preparation and at all stages of an economic cycle of the Plan. Rather than accepting the council's position that sufficient flexibility has been built into the wording of CP8 to take account of viability, the Inspector has recommended that the sustainable building requirements should be modified to be in line with national policy (regarding viability and in line with the outcome of the national housing standards review). The proposed modification has been made to bring the standards in relation to new residential development in line with current building regulations – Code Level 4 to 2016 and Code Level 5 post 2016. The Policy still retains robust requirements to support the council's aspirations for zero carbon development and reducing the ecological footprint of the city.

### **Full Schedule of Proposed Modifications**

- 3.25 All proposed modifications arising out of the examination process require public consultation and have been subject to a Sustainability Appraisal. Before issuing her report on the Plan's soundness and legal compliance, the Inspector will consider any representations received on the main modifications. The Inspector may feel able to deal with any additional points raised through the consultation as 'written representations', or may consider that further hearing sessions are necessary. Only then will the Inspector be in a position to decide whether or not to recommend the modifications to the Plan in her final Report on the Plan.
- 3.26 A full schedule of the proposed modifications to the City Plan Part One has been placed in Members' rooms. The changes from the submission version of the City Plan Part One are annotated as 'tracked changes' to highlight the modifications subject to consultation.

### **Supporting Evidence and Assessment**

- 3.27 As a consequence of the proposed changes arising from the Inspector's Initial Conclusions Letter a number of background evidence documents that support the City Plan Part 1 were required to be

updated/ amended. These studies provide evidence to justify the main modifications to the City Plan. This report seeks approval of the following studies as background evidence documents to support the City Plan:

- Sustainability Appraisal
- Appropriate Assessment Update
- Health and Equalities Impact Assessment Update
- Transport Assessment Update
- Exceptions and Sequential Test Update (flood risk)
- Strategic Housing Land Availability Assessment 2014 update
- Urban Fringe Assessment Study
- Assessment of Housing Development Needs Study: Sussex Coast Housing Market Area, May 2014
- Housing Implementation Strategy
- Addendum to the Infrastructure Delivery Plan
- Combined Policy Viability Study Update
- Duty to Cooperate Statement Update

A summary of these updated/ amended background documents is set out in Appendix 4 and copies have been placed in Members' Rooms.

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

- 4.1 The proposed approach is to modify the Plan to address the concerns raised by the Inspector in her Initial Conclusions Letter and to publish these for public consultation. This will ensure that the Inspector is able to conclude her consideration of the City Plan Part One. This is the only practicable option if the City Plan Part One is to progress towards adoption and ensure the council has an up to date development plan.
- 4.2 Without these modifications the Inspector has indicated that the City Plan Part One could not be found sound and could not therefore be adopted.
- 4.3 An adopted City Plan gives certainty and confidence to the development industry and will help to deliver investment in the city. With a clear and up to date policy framework in place, local decision-making can ensure timely development and secures the most appropriate uses on key regeneration sites such as Preston Barracks, Circus Street and Black Rock site. At a time when the development industry is recovering from the recession, the City Plan will be critical for guiding and encouraging the investment that developers and the construction industry are seeking to bring to the city and secure the infrastructure needed (e.g. schools and health facilities).
- 4.4 An up to date adopted City Plan will ensure that decisions on new developments are based on local priorities and that full weight can be given to locally adopted strategies and development policies. Conversely should the City Plan be withdrawn no weight could be given

to its policies in decision making. An adopted Plan gives greater certainty for the Council and all stakeholders to see development schemes progressed in a properly planned and coordinated manner. An agreed housing target for the city to 2030 will allow the council to resist development pressures to release existing employment sites, business space, community uses and open space for new housing. The new Article 4 Directions (Student Housing and Central Office space) can be assessed effectively and sites allocated in the City Plan for purpose-built student housing and other uses will have a clear policy framework.

### **The consequences of not having an adopted City Plan**

- 4.5 Without an adopted City Plan the National Planning Policy Framework's 'presumption in favour of sustainable development' would apply (i.e. development should be allowed unless there is significant and demonstrable harm). The consequence of 'planning by appeal' would be inappropriate development within the city's urban fringe and across the city as a whole. This would undermine the positive and balanced approach to future growth and development in the city as set out in the City Plan and jeopardise investment in key sites/strategic allocations of city-wide importance. There would be significant cost and resource implications associated with defending an increased number of planning appeals and an increased risk of costs being awarded against the council (which is already being experienced). Without a robust plan in place the council's planning decisions may be more susceptible to being overturned at appeal. Should the percentage of overturned appeals mean that the council falls into the government's "special measures" category developers will be able to by-pass the council and take their proposals straight to the Planning Inspectorate for determination.

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

- 5.1 The City Plan has been subject to a number of stages of public engagement that have significantly helped to shape the Plan. There has been close working with the city's many Partnerships including the Economic Partnership, the Strategic Housing Partnership, the City Sustainability Partnership and Brighton & Hove Connected in preparing the document. Recently the Economic Partnership and the Strategic Housing Partnership have expressed their support for the adoption of the City Plan with the proposed main modifications.
- 5.2 The Proposed Modification consultation will run for six weeks from November to December 2014. Information will be available on the dedicated City Plan page of the website; the council's consultation portal and made available for inspection at the city's deposit points (customer services centres and libraries).

- 5.3 Specific statutory consultees will be directly notified, as will other 'general consultees' and people who have previously commented on the City Plan (such as the 85 respondents to the submission City Plan), or who have requested to be kept informed about the plan's progress.
- 5.4 The consultation relates only to the proposed changes/ modifications to the City Plan Part One, not the whole Plan and those making representations will be asked to consider whether the proposed changes/ modifications have been prepared in accordance with legal requirements and are sound (positively prepared, justified, effective and consistent with national policy). The consultation allows for those who wish to comment on the new housing target, the scale of the broad source of housing potential identified for the Urban Fringe or the robustness of the Urban Fringe Assessment (as a whole/ or particular sites) to make their views known to the Inspector. Comments received will be collated by the Local Development Team and forwarded to the Inspector for her consideration. The Inspector will assess whether the proposed modifications are sound. She has indicated that issues raised through the consultation are likely to be considered through the written representation process and further hearing sessions will only be scheduled exceptionally.

## **6. CONCLUSION**

- 6.1 It is important to have an up to date adopted development plan in place otherwise the National Planning Policy Framework and an undeliverable housing requirement (18,000-24,000) will provide the basis for planning decisions. In order to progress the City Plan Part One to adoption the Inspector has indicated to the council a number of changes or main modifications to the plan that she considers are required to be made in order for her to be able to find the plan sound. These modifications represent a significant policy shift and therefore require agreement by the Policy & Resources Committee. Public Consultation is required before the Inspector can consider the proposed modifications and conclude the examination.

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

### Financial Implications:

- 7.1 The costs associated to the recommendations in this report will be funded from existing Planning Strategy and Projects revenue budgets and a one-off revenue funding allocation made available for public examination costs. One-off revenue funding allocations of £0.100m in 2012-13 and £0.150m in 2013-14 were made available for public examination costs; of which £0.120m was unspent at the end of 2013-14 and carried forward to the 2014-15 financial year.
- 7.2 It is estimated that the total cost of preparing the City Plan (formerly the Core Strategy) since the 2005-06 financial year to date are in the



region of £2 m, including examination and hearing costs, technical studies, public consultation and officer time.

Finance Officer Consulted: Steven Bedford Date: 16/09/14

Legal Implications:

- 7.3 Where a development plan document (such as the City Plan) has been submitted to the Secretary of State for independent examination Section 20 (7C) of the Planning & Compulsory Purchase 2004 Act allows a local planning authority to request that the examining Inspector recommends modifications where these are needed to rectify those matters which the Inspector considers make the document unsound or not legally compliant and thus incapable of being adopted.
- 7.4 The 'main modifications' now proposed as a result of the examination process require further public consultation.
- 7.5 It is not considered that any adverse human rights implications arise from the Report.

Lawyer Consulted: Hilary Woodward Date: 15/09/14

Equalities Implications:

- 7.6 The Inspector indicated in her Initial Conclusions Letter that the housing target in the Submission City Plan represents a failure to meet the social dimension of sustainable development. An update to the Health and Equalities Impact Assessment has been undertaken to assess the proposed modifications. Overall, the HEQIA concluded that the City Plan, as modified, presents policies that are co-ordinated to address health and well-being outcomes throughout the city.

Sustainability Implications:

- 7.5 An addendum to the Sustainability Appraisal (SA), incorporating the requirements of Strategic Environmental Assessment (SEA) has been carried out on the proposed modifications and tested the housing target options. The SA Addendum report has been published as a background document to support the consultation. Overall, when all the modified policies are looked at cumulatively alongside the remaining policies within the City Plan, no new significant impacts have been identified that were not already identified by the Submission City Plan Sustainability Appraisal. The Inspector indicated in her Initial Conclusions Letter that the Sustainability Appraisal that accompanies the City Plan should properly test the implications of meeting the full objectively assessed need for housing (20,000 homes by 2030). Such an assessment would assist the council in demonstrating compliance with paragraph 14 of the NPPF. The appraisal found that the positive impacts of meeting the objectively assessed housing need in full to be

outweighed by the adverse economic, environmental and social impacts resulting from the losses of land in employment uses and sites of open space within the built up area that would be required in order to meet this need.

- 7.6 An Appropriate Assessment has also been updated to take into considerations the change to the housing target and the identification of the urban fringe as a broad source of housing potential has on the conservation objectives of a European Site and to ascertain whether it would adversely affect the integrity of that site. The AA has concluded that from the information available at the proposed modifications stage, all the possible impacts of the proposed modifications to the Brighton & Hove City Plan Part 1 on European sites had been discounted at the screening stage of the Appropriate Assessment. It therefore concluded that no change to the City Plan Part 1 was required and also that the City Plan Part 1 did not support any project proposal where it cannot be demonstrated that the development would not have an adverse effect on the integrity of any European or Ramsar site.

Crime & Disorder Implications:

- 7.7 The City Plan Part 1 addresses crime and disorder through development area proposals, special area policies and a number of citywide policies. Proposed amendments do not significantly affect these policies.

Risk and Opportunity Management Implications:

- 7.8 Risks to the City Plan are regularly reviewed at project meetings. The need to carry out this additional stage of consultation prior to the Inspector finalising her report (and the potential need for one or more further hearing sessions) will have an impact on the anticipated adoption date of the City Plan Part 1. Without an up to date development plan the council can not demonstrate a five year supply of housing sites against its objectively assessed housing need. This would increase the risk of inappropriate development being allowed at appeal; a threat to a sustainable balance of uses in the city and a risk to investment in mixed use sites/strategic allocations in the City Plan. There are cost and resource implications associated with defending an increased number of planning appeals. The proposed modifications and the additional stage of public consultation significantly reduce the likelihood of any remaining risks to the adoption of the City Plan.

Public Health Implications:

- 7.9 The City Plan part 1 addresses health inequalities and the healthy planning agenda through a city wide healthy city policy and where appropriate, in a number of other policy areas. The City Plan was subject to an Equality and Health Impact Assessment. This Assessment has been updated in light of the proposed modifications.

Corporate / Citywide Implications:

- 7.10 The City Plan will be a significant factor in steering development in the city for the next 20 years. It will contribute to delivering the Corporate Plan and plans and strategies across the city council directorates, along with the Sustainable Community Strategy. It will also help to deliver city-wide strategies of public and voluntary sector partners and promote investment and economic growth.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Inspectors Initial Conclusion Letter 13 December 2013 and Letters 13 February 2014, 27 June 2014 and 21 July 2014
2. Schedule of Proposed Modifications resulting from Inspectors Initial Conclusions Letter
3. Full Schedule of Proposed Modifications (In Member's Room)
4. Summary of Findings - new/ updated background studies

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

1. Full Schedule of Proposed Modifications to the City Plan Part 1
2. Sustainability Appraisal
3. Appropriate Assessment Update
4. Health and Equalities Impact Assessment Update
5. Transport Assessment Update
6. Exceptions and Sequential Test Update (flood risk)
7. Strategic Housing Land Availability Assessment 2014 update
8. Urban Fringe Assessment Study
9. Assessment of Housing Development Needs Study: Sussex Coast Housing Market Area, May 2014
10. Housing Implementation Strategy
11. Addendum to the Infrastructure Delivery Plan
12. Combined Policy Viability Study Update
13. Duty to Cooperate Statement Update

### **Background Documents**

1. Submission City Plan Part 1
2. Submission City Plan - 31 January Policy & Resources Committee

**Date:** 13<sup>th</sup> December, 2013

**INSPECTOR:**  
Laura Graham BSC MA MRTPI

**PROGRAMME OFFICER:**  
Mrs Claire Jones-Hughes

This letter reflects my initial conclusions on the soundness issues I have identified at this stage in the examination process. I am writing to you now to enable you to consider the best way to address these issues. However, these comments are not intended to be comprehensive, and are made without prejudice to the content of my final report.

## **Housing**

### *Objectively Assessed Need for Housing*

The Framework requires local authorities to assess their full housing needs, including affordable housing. The Housing Duty to Cooperate Study for the Sussex Coast Housing Market Area, May 2013, identifies that an objective assessment of housing need would fall between 16,000 – 20,000 dwellings for the period to 2030. The study notes that the higher end of the range takes account of the shortfall of affordable housing in the City, and includes the provision of 210 dwellings per annum to contribute to reducing the affordable housing backlog.

At the hearings there was a reasonable degree of consensus that the range of 16,000 – 20,000 (as set out in Main Modification MM26) was an accurate reflection of the full, objectively assessed need for housing, although some participants argued that the need could be higher, having regard to the significant need for affordable housing.

Bearing in mind the Framework's requirements that local authorities should assess their **full** housing needs (my emphasis), including affordable housing, my view is that the Plan should indicate that the full objectively assessed need is the higher end of the range, i.e. 20,000 new dwellings.

### *Duty to cooperate.*

I accept that the Council has sought to engage positively with neighbouring authorities in the region. My initial conclusion is that it has met the legal requirement under S.33A of the Act. Unfortunately, the cooperation with neighbouring Councils has not led to a positive outcome, in the sense that none has offered to assist Brighton and Hove by offering

to meet all or part of the objectively assessed needs that cannot be met in Brighton and Hove.

*Housing supply.*

The Plan proposes a target for the provision of new housing of 11,300. This represents only 56.5% of the full objectively assessed need. Even if the lower end of the range were to be used (which for the reasons given above, I do not accept is the correct approach), the target would meet only 70.6% of the need. These figures represent a significant shortfall and substantial weight must be given to the consequent failure to meet the social dimension of sustainable development.

I recognise that there are significant constraints to providing land for development, and that there are competing priorities for any land which may be available. However, given the significant shortfall in meeting housing needs, it is important that the Council rigorously assesses all opportunities to meet that need. It is my preliminary view that the following sources potentially offer an opportunity to increase the target for the provision of new housing.

*Windfall sites.*

The Council should investigate whether or not it would be appropriate to make an allowance for windfall sites, bearing in mind the requirements of paragraph 48 of the Framework.

*Urban Fringe Sites.*

These sites are not subject to nationally recognised designations, which would indicate that development may be restricted. Whilst it may be the Council's aspiration to designate some of these sites as Local Green Space, this is not being pursued through Part 1 of the Local Plan and I have doubts as to whether some of these areas would meet the requirements of paragraph 77 of the Framework. In my letter of 22 July 2013, I commented that the analysis of the urban fringe sites "identifies perceived constraints, but includes no analysis of whether such constraints could be satisfactorily overcome, and what the residual adverse impacts of developing some of the less constrained sites would be". The revised version of TP002a published in September 2013 includes additional commentary on constraints, but does not provide the further analysis that I referred to in my letter. Having now seen some of the sites and had the opportunity to examine more closely the underlying evidence on which this analysis is based, I am not persuaded that the protection from development implied by Policy SA4 is justified in relation to all urban fringe sites. In coming to this conclusion, I have taken account of paragraphs 73 and 74 of the Framework. However, your own analysis concludes that some of these sites do not make a significant contribution to the provision of useable open space, and have limited potential to do so in the future. No consideration appears to have been given to the possibility of allowing development on these sites, which would enable the provision of good quality public open space, as part of a package of

development. Similarly, no consideration appears to have been given to the extent to which other constraints, such as archaeological significance, should prevent development altogether, or whether adequate mitigation would be possible by, for example, careful consideration of design and layout and the imposition of conditions. The site at Toads Hole Valley, which is proposed for development, suffers from some of the same constraints that are said to affect other sites, including its proximity to the National Park. However, the more positive approach taken towards development on this site contrasts with the negative approach taken to other sites. The overall impression given is that the starting point for analysis of these sites has been the desire to resist development, which is at odds with the Framework's requirement that the plan should be positively prepared. The Sustainability Appraisal (SA) makes general observations that the higher housing targets tested would result in significant losses of employment land and open space, but without a more detailed analysis of the sites concerned, I do not consider that great weight can be placed on the conclusions of the SA.

Main modifications MM21 and MM27 indicate that a review of the built up area boundary will be undertaken in Part 2 of the City Plan. However, Document TP/002a seems to pre-judge that exercise by concluding whether or not the sites have any development potential and if so, how many new dwellings may be provided. The expected yield of new dwellings from this analysis is about 100. In view of the significant shortfall in meeting objectively-assessed needs I consider the Council should undertake a more rigorous analysis of the urban fringe sites, along the lines I have already suggested, to determine whether there is greater potential for the delivery of new housing from this source.

#### *Land currently in employment use.*

I recognise that the Plan aims to make appropriate provision for land for employment uses to support the local economy. However, doubts have been raised about the ability of some sites to support the kind of employment and/or mixed-use development envisaged in policy CP3. Bearing in mind the shortfall in land to meet new housing needs, I consider the Council should rigorously reassess whether this policy should be modified to allow for the loss of employment land to housing, where an employment or mixed-use development is not viable. The requirement of the Policy that there should be no net loss in employment floor space may inhibit redevelopment for mixed uses, particularly on sites where viability is marginal.

#### *Five-year land supply*

I note that the Council achieved a good rate of housing delivery from the mid 1990s through to 2007. The lower rate of delivery in recent years is related to poor market conditions. In the circumstances, I consider there is not a record of persistent under delivery and therefore the appropriate buffer, in accordance with the Framework, is 5%. The most common method of calculating a five-year land supply is to use the annualised housing requirement derived from the overall target. I note the Council's

approach is to base its calculations on the housing trajectory, which has the effect of reducing the five-year land supply requirements in the early years of the Plan. The Framework is not prescriptive about the method that should be used to determine the five-year supply of land for housing. However, a method of calculation that suppresses housing land supply in the early years of the plan period does not, in my view, accord with the Framework's general intent to boost significantly the supply of new housing. Such an approach could be justified if essential infrastructure requirements are likely to constrain the delivery of new development, but I am not persuaded that the impact of the economic recession is a valid reason for taking this approach. Once you have addressed the issues relating to the overall target for new homes, you will need to demonstrate that a five year supply of housing land based on an annualised dwelling requirement plus 5% will be available at the time the Plan is adopted.

### *Overall conclusions on housing*

The City Plan Part 1 falls well short of meeting the objectively assessed need for new housing, and although I note the Council's continuing commitment to engage with neighbouring authorities, there is no evidence before me to show that any of the unmet need will be met elsewhere. For the reasons given above I am not persuaded that the City Plan Part 1 meets the requirements of paragraph 14 of the Framework which requires local planning authorities to meet objectively assessed needs, unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in the Framework taken as a whole. I recognise the constraints faced by the Council but if I am to find the Plan sound, notwithstanding such a significant shortfall in the provision of new housing, I would need to be satisfied that the Council had left no stone unturned in seeking to meet as much of this need as possible. Furthermore, depending on the scale of unmet need it may be necessary to reduce the plan period in order that the City Plan can be found sound.

### **Brighton Marina**

I have considered the representations made both orally and in writing regarding the Brighton Marina Act. However, it is not part of my examination to consider whether any planning permissions granted by the Council are lawful. There is no evidence before me that extant planning permissions are being challenged through the Courts, and I have seen nothing to persuade me that these permissions cannot be implemented. Bearing in mind the failure to meet objectively assessed housing needs, and the limited opportunities available to meet that need, it is important that the Marina makes as significant a contribution to the provision of new housing as is reasonably possible. At the hearings there was discussion about the criterion in Policy DA2, which requires development not to breach the cliff height, and there is evidence that this restriction threatens the viability of development at the Marina, and would reduce the amount of housing that could be provided. My attention was drawn to an appeal decision relating to a scheme, which would have breached the cliff height.



The appeal was dismissed because of the inadequacy of the accompanying legal agreement. However, neither the Inspector nor the Secretary of State concluded that the breach of the cliff height was a reason to refuse the scheme. Those conclusions were, of course, specific to that scheme and at the examination hearings the Council expressed the opinion that it was the particular qualities of that scheme that had led to those conclusions. Policy DA2 requires a high quality of building design and includes various safeguards for important environmental assets. There is a statutory duty to pay special attention to the desirability of preserving or enhancing the character and appearance of the Kemp Town Conservation Area. In all the circumstances I consider that the Policy should be modified to remove the cliff height restriction to enable a viable scheme to come forward, which can make a significant contribution to meeting housing needs.

*Brighton Marina Shopping Centre.*

The Council's own evidence does not support the designation of Brighton Marina as a District Centre. That aspect of Policy CP4 is not justified and the Policy should be modified accordingly. The Council's aspiration to improve the shopping centre is included in Policy DA2 and if this is successful, it may be appropriate to designate it as a District Centre when a review of the Plan is undertaken.

**Viability**

The Council's Combined Policy Viability Study, which was unfortunately finalised after the plan was submitted for examination, finds that the combined requirements of the Plan raise serious doubts about the viability of development across the Plan area. The Council seeks to rely on the flexibility clauses in the policies, which it says will enable development to go ahead. It is useful to build in such flexibility to allow for site specific issues to be taken into consideration, but this is not an acceptable substitute for ensuring that the plan facilitates development throughout the economic cycle, as required by the Framework (paragraph 174). I am therefore inviting you to draft modifications to the Plan to ensure that the requirements of the Framework are met in relation to this issue and in accordance with the evidence now available. In particular, you may wish to consider whether the requirements of Policy CP8 can be justified in this context, particularly bearing in mind forthcoming changes to the Building Regulations. Furthermore, the characteristics of the housing stock in Brighton are not dissimilar to those in many established urban areas and I am not convinced that this justifies a local requirement, which is more onerous than the national standards provided by the Building Regulations.

I look forward to receiving your response but it may be of assistance for you to know that I will be working on the Rother Local Plan Examination throughout January 2014.

*Laura Graham*

Inspector



**Brighton & Hove  
City Council**

**Planning & Public Protection**  
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Inspector Laura Graham BSc MA  
MRTPI  
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Brighton  
BN2 3PD

Date: 31 January 2014  
Ref: CPP1/InsCor/LH/310114  
Phone: 01273 292504  
e-mail: Liz.hobden@brighton-hove.gov.uk

Dear Miss Graham,

Thank you for your letter dated 13 December 2013 (ref ID-21) setting out your initial conclusions on the soundness issues with the Brighton & Hove City Plan Part 1.

I would like to take this opportunity to set out the council's response to the concerns you raise in your letter and our views on the way forward. We intend to address all of your comments positively. The council is keen to take the City Plan forward rapidly to adoption and it is a key priority for the city that will help bring major sites forward for development and stimulate economic growth.

## **Housing**

### **Duty to Cooperate**

The council notes and welcomes your initial conclusion that we have met the legal requirement under S.33A of the Act with regard to duty to cooperate. We will continue to work positively with neighbouring authorities to pursue a positive outcome regarding meeting unmet housing requirements. Examples of progress are that the city council's Economic Development and Culture Committee on 23rd January approved The Coastal West Sussex and Greater Brighton Local Strategic Statement (LSS) along with the memorandum of understanding and terms of reference for the Coastal West Sussex and Greater Brighton Strategic Planning Board. In a separate development the City Council (along with Lewes District Council and the Coast to Capital LEP) have accepted an invitation to join the West Sussex Strategic Planning Board. The LSS has also now been formally agreed by the other seven planning authorities that sit on the Coastal West Sussex Strategic Planning Board. In addition there is ongoing work with the Local Enterprise Partnership and with the Strategic Economic Plan. The council will continue to seek effective mechanisms to deliver housing employment and infrastructure needs through Duty to Cooperate.

### **Objectively Assessed Need**

The council notes that you consider that the City Plan should indicate that the city's objectively assessed need for housing over the plan period should be the higher end of the estimated range (20,000 dwellings) as put forward in the Housing (Duty to Cooperate) Study for the Sussex Coast Housing Market Area, May 2013 (Core Doc Ref EP/051). We propose to draft Post-Hearing Modifications to the Plan to address this concern.

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## Housing Supply

The council welcomes your recognition of the significant constraints the city faces in meeting its objectively assessed housing needs and the competing pressures and priorities for available land. Your letter suggests three potential sources of land supply which you advise the council to further consider in an attempt to increase housing supply.

**a) Windfall Sites** – the council will investigate whether it would be appropriate to make an additional allowance for housing supply from this source. The housing target in the City Plan already makes an allowance for such sites towards the end of the Plan period and further intensification of the urban area is also anticipated through the council's estate regeneration programme. However, the council will consider whether an additional allowance may be appropriate to cover the whole plan period. Subject to the results of this investigation, we would draft post-hearing modifications to Policy CP1 and Annexe 3 Housing Implementation Strategy accordingly.

**b) Urban Fringe Sites** – in order to address your concerns, the council will undertake a thorough and detailed assessment of land within the city's defined urban fringe. This study will include an analysis of whether identified constraints could be satisfactorily overcome, and what the residual adverse impacts of developing additional urban fringe sites would be.

As a point of clarification, some of the urban fringe sites are subject to nationally recognised designations, for example, RIGS, SSSI and land designated as Ancient Scheduled Monument. In accordance with the NPPF it is considered appropriate that these sites/ parts of site are excluded from the detailed assessment. Can you confirm that you are agreeable to this?

In undertaking this additional work, the council will remain mindful of policies in the Framework that indicate existing open space, sports and recreational buildings and land, including playing fields should not be built on unless surplus to requirements or capable of being replaced by equivalent or better provision in a suitable location.

A timeframe for the completion of this work is set out in detail at the end of this letter for your consideration. The findings of the study will be reflected in the annual update of the Strategic Housing Land Availability Assessment, where urban fringe sites with housing potential will be listed. The housing potential identified will be reflected in a revised housing target and the five year housing supply for the city.

Your comments on this approach would be welcome.

**c) Land Currently in Employment Use** – the council would welcome clarification on this aspect of your letter and the extent of the additional reassessment required. In your letter you state that:

*'Bearing in mind the shortfall in land to meet new housing needs, I consider the Council should rigorously reassess whether this policy should be modified to allow for the loss of*

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*employment land to housing, where an employment or mixed-use development is not viable. The requirement of the Policy that there should be no net loss in employment floor space may inhibit redevelopment for mixed uses, particularly on sites where viability is marginal.'*

Could you clarify and confirm to which parts of the policy CP3 your statement relates? In Matters Statement 5 on Employment the council addresses this specific matter in relation to mixed use development in part 4 of CP3. With respect to CP3.4 it should be noted that two of the five sites listed have recently been granted planning permission for mixed use development where viability evidence submitted by the applicant was assessed and a reduction in employment floorspace allowed to achieve viability. A third site is at pre-application stage. Subject to your clarification the council will draft modifications to CP3.4 to modify the reference to no net loss of employment floorspace.

### **Five Year Supply**

The council welcomes your recognition of the good rate of housing delivery achieved in the city before the economic downturn and that 5 per cent is an appropriate buffer for the 5 year supply.

We note your recommendation that an annualised approach to the calculation of the 5 year supply requirement should be used. It was not the intention of the council's phased or staggered approach to suppress housing land supply but rather to realistically reflect the specific nature of housing development in the city (e.g. a high proportion of flatted development) , and market signals with regard to deliverability in the early years of the plan. These factors are all reflected in the council's housing trajectory. The council also notes that the City Plan must be able to demonstrate an up to date 5 year supply of housing at the time the Plan is adopted to be found sound.

We would welcome further clarification and advice from you on the suggestion that it may be necessary to reduce the plan period to find the plan sound as we have some concerns regarding this point. The City Plan has been prepared in accordance with NPPF guidance (paragraph 157) requiring plans to be drawn up over an appropriate timescale to take account of longer term requirements. City Plan background studies, planned development and infrastructure provision is based upon a 15 year plan. The council is concerned that a shortened plan period could undermine the approach and evidence base informing the City Plan Part 1. Further, given the delays in adopting the City Plan it would seem appropriate to move the start date for the Plan from 2010 to 2014. Your comments on this approach would also be welcome.

### **DA2 Brighton Marina**

The council notes your comments on Brighton Marina in relation to the cliff height restriction and the status of the shopping centre. The council's aspirations are to enhance the choice and performance of retailing at the Marina and to ensure new development is of a high quality of building design, safeguarding important environmental assets as well as preserving/ enhancing the character and appearance of the Kemp Town Conservation Area. We will draft post-hearing modifications in response to your comments.

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### **Viability**

You have invited draft modifications to the plan to ensure the Plan facilitates development throughout the economic cycle as required by paragraph 174 of NPPF with particular reference to the sustainable building policy (CP8).

The council is committed to meeting the government's targets to deliver zero carbon homes and maintaining rigorous energy performance targets over the plan period. The council will re-examine the approach to standards in the policy in response to your comments.

### **Sustainability Appraisal**

An Addendum to the submission Sustainability Appraisal will be produced to assess the impacts of the proposed Main Modifications. The council assumes this will not be required to consider alternative housing target options other than that arising from the housing potential identified but would welcome your advice on this matter. Updates to other sections of the SA may take place where considered appropriate.


### **Next Steps**

A broad timetable below is proposed to take the work forward:

<b>Stage</b>	<b>Date</b>
Additional work and Further Studies	End May 2014
Council Decision on Main Modifications	July 2014
Publication and consultation on Main Modifications in response to Inspector's Letter and additional work (including addendum to the submission Sustainability Appraisal)	End July to September 2014
Re-open Hearing	October 2014
Inspector's Final Report	December 2014

The council considers an up to date Plan is critical for future growth and development in the city and is keen to take the plan forward towards adoption as soon as possible. We have indicated that we will be undertaking consultation on main modifications in response to your letter and the additional work undertaken to take place before a re-opened hearing. However we would like to seek your advice on this part of the timetable. You may prefer consultation to take place after a re-opened hearing. We trust that our suggested approach and indicative timetable is acceptable to you, but would of course be happy to explore any concerns or questions that you have, via the Programme Officer.

Yours sincerely



Liz Hobden  
Local Development Team Manager

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Brighton & Hove City Council –City Plan: Part 1

**Date:** 13th February, 2014

**INSPECTOR:**  
Laura Graham BSC MA MRTPI

**PROGRAMME OFFICER:**  
Mrs Claire Jones-Hughes

Thank you for your letter dated 31 January 2014 and positive approach to my initial conclusions. My response to the specific questions you raise is as follows:

**Analysis of urban fringe sites**

According to your Urban Fringe Assessment September 2013, it appears that there are a limited number of sites which are subject to national designations such as SSSI or Scheduled Monument, and such designations apply to parts of sites, rather than the whole of identified sites. In the case of sites affected by SSSI/RIGS designation (site 37 is the only one identified in your Assessment) you will need to consider the extent to which development of parts of the site not covered by the designation would have an adverse impact on the notified special interest features, and the extent to which any harm could be adequately mitigated. Similarly, you will need to consider the extent to which development would harm a Scheduled Monument in accordance with paragraph 132 of the Framework.

For the avoidance of any doubt, my initial conclusions should not be interpreted as an indication that all urban fringe sites would be suitable and/or appropriate for development. My main concern is that the decision to protect some sites from development because of their open space/recreational value is not supported by your own assessment of their existing or potential value for such uses.

**Employment policy**

In the light of the significant shortfall in meeting housing needs my concern is that policies for employment land should not seek to protect sites in employment use where there is no reasonable prospect of use or redevelopment for employment purposes. Viability is clearly an important consideration and I note you have sought to address this through proposed modifications MM30 and MM31. At this stage I am content to consider this matter once representations on the modifications have been received.

**Plan period**

What I have in mind is that if, in spite of your best efforts, there remains a very significant shortfall in meeting the objectively assessed housing need it may be necessary to indicate that the Plan will be subject to an early review. So far as the start date for the Plan is concerned, the Framework requires, preferably, a 15 year time horizon. The City Plan Part 1 seeks to provide the overall strategic and spatial vision to 2030. There will still be 15 years of the Plan period left if the City Plan is adopted in 2015. In the circumstances, I do not consider it essential to move the start date forward to 2014 to ensure soundness.

### **Sustainability Appraisal**

You will need to reassure yourselves that the Sustainability Appraisal Addendum complies with legal requirements, as the Council is the competent authority for these purposes when the Plan is adopted, and it would not be appropriate for me to give detailed advice at this stage. However, one of the tasks of the Sustainability Appraisal is to ensure that all reasonable alternatives have been evaluated. It seems to me that the Sustainability Appraisal should properly test the implications of meeting the full objectively assessed need for housing. Such an assessment should also assist the Council in demonstrating whether it has met the test set out at paragraph 14 of the Framework.

### **Timetable**

I have some reservations about the timetable you have set out. The Inspectorate's current Procedural Guidance indicates at paragraph 4.26 that the general expectation is that issues raised on the consultation of draft main modifications will be considered through the written process and further hearing sessions will only be scheduled exceptionally. Until I have seen any representations made on the draft main modifications, I will not be able to come to a clear conclusion on whether further hearing sessions will be necessary. In the event that further hearings are necessary, the timescale you have outlined would not be acceptable to me. I would need additional time to draw up matters and issues for further hearings and to allow participants to submit statements on those matters and issues. Alternatively, if further hearings are not necessary, I would hope to finalise my report at an earlier date, subject to any other commitments I may have. I suggest that you keep Mrs Jones-Hughes informed about your progress and the dates you schedule for consultation on the main modifications, so that contingency arrangements for further hearings can be made.

*Laura Graham*

Inspector

*Letter to Brighton & Hove City Council from the Inspector*

**Date:** 27<sup>th</sup> June, 2014

**INSPECTOR:**  
Laura Graham BSC MA MRTPI

**PROGRAMME OFFICER:**  
Mrs Claire Jones-Hughes

Thank you for providing me with a copy of your proposed modifications and supporting documents. As you will appreciate I have had only a limited time to consider these but, in view of your expected timetable for publishing and consulting on the documents, I thought it would be more useful for me to provide you with some comments at an early stage. In any event, I cannot come to a clear conclusion on whether the modifications would overcome my concerns regarding soundness without taking into account any representations that may be received.

*Housing need and supply.*

I note that the Assessment of Housing Development Needs Study 2014 has revised upwards the objectively assessed need for new housing and that this is reflected in the Proposed modifications.

I also note that the proposed target for the provision of new housing has been increased to 13,230 but I am not yet in a position to draw any conclusions on whether the requirements of paragraph 14 of the Framework and the test that the plan should be positively prepared have been met.

Regarding the five year land supply, it would appear that that there would not be a five year supply at the time at which the Plan would be adopted if the shortfall from the early years of the Plan period is made up within the first five years, which is the preferred approach set out in Planning Practice Guidance. You will need to have a clear justification of why this is not possible if the Plan is to be found sound.

*Brighton Marina*

I have no comments on the proposed modifications relating to Brighton Marina at this time.

*Viability*

I note that you have proposed modifications to Policy CP8. However, there is no evidence as to whether the modifications proposed will mean



that the plan facilitates development throughout the economic cycle. It would be useful to have an update of the Combined Viability Study to demonstrate whether or not this is the case. I must also draw your attention to the findings of the Inspector examining the soundness of the Bath and North East Somerset in relation to the inclusion of requirements relating to the Code for Sustainable Homes. His report is available on that Council's website and paragraphs 259 – 265 are particularly relevant.

Finally, as a general comment, some of the Proposed Modifications may not be needed for soundness, and in those cases they will not appear in the Appendix to my report. However, it is preferable that all the proposed modifications are consulted upon and within the limits prescribed by the Regulations the Council can make modifications, other than those that are strictly necessary for soundness, to the Plan at adoption.

As you know, the Inspectorate's current Procedural Guidance includes a general expectation that issues raised on the consultation of draft main modifications will be considered through the written representations process and further hearing sessions will only be scheduled exceptionally (paragraph 4.26). Once I have read any representations received, I will come to a final view on whether further hearing sessions are necessary in this case.

*Laura Graham*

Inspector

*Letter to Brighton & Hove City Council from the Inspector*

**Date:** 21<sup>st</sup> July, 2014

**INSPECTOR:**  
Laura Graham BSC MA MRTPI

**PROGRAMME OFFICER:**  
Mrs Claire Jones-Hughes

Thank you for your letter dated 17 July 2014.

It is, of course, entirely a matter for your Council to consider whether it wishes to accept main modifications. However, if the Council is unable to agree to carry out public consultation on main modifications at its meeting in October, I might need to conclude that the request made under section 20(7C) has been implicitly withdrawn, as envisaged in paragraph 4.28 of the Inspectorate's Procedural Guidance. In these circumstances I would be unable to find the City Plan Part 1 sound and would expect the Council to withdraw the Plan. Please keep me advised, via Mrs Jones-Hughes, of any further developments, and in particular whether any changes are made to the Schedule of proposed main modifications. You will also wish to bear in mind the issues I raised regarding viability and a five-year supply of land for housing in my letter of 27 June 2014.

I should also reiterate that consultation on proposed main modifications is undertaken without prejudice to my final conclusions.

I have other work commitments in early 2015 and cannot, at present, advise you as to when I will be able to consider the outcome of any consultation that may be undertaken in the autumn.

*Laura Graham*  
Inspector

**Brighton & Hove City Plan Part One  
Schedule of Proposed Modifications Arising from the Inspector’s Initial Conclusions**

The modifications below are expressed in the conventional form of ~~strike through~~ for deletions and underlining for additions of text.

Modifications are in City Plan order. The policy number and City Plan page number are shown in the second column.

Reference numbers in the first column relate to the Full Schedule of Proposed Modifications set out in Appendix 3, placed in the Members’ Rooms.

Ref	Policy/ Paragraph	Proposed Modification
PM010	Section 2 – The Strategy, Spatial Strategy Pages 24,28,29	<p><b>A Spatial Strategy for Brighton &amp; Hove</b></p> <p>2.7 <u>Recognising the need to plan positively to meet the needs of a growing city</u>, <del>the City Plan's aim is to</del> <u>seeks to achieve</u> a balanced and sustainable approach to accommodating growth over the plan period.</p> <p><b>Strategy for the future of Brighton &amp; Hove</b></p> <p>2.12 The assessed housing requirements (demand and need for new homes) for the city over the plan period are much higher than the city can realistically accommodate. The plan sets a minimum housing target of <del>11,300</del> <u>13,200</u> new homes to be achieved by 2030 and this reflects the capacity and availability of land/sites in the city; the need to provide for a mix of homes to support the growth and maintenance of sustainable communities; the need to provide land for other essential uses (such as employment, retail, health and education facilities and other community and leisure facilities) and the need to respect the historic, built and natural environment of the city.</p> <p><b>The Spatial Distribution of Development</b></p> <p>2.19 Spatially the majority of new housing, employment and retail development <u>will be located on brownfield (previously developed) sites within the city's built up area and will be</u> directed to eight specific development areas (DA1 – 8). These are areas of the city which either already benefit from close proximity to good sustainable transport links or are areas where accessibility can be improved; are areas which offer significant capacity for new development and are areas where new development and/or regeneration will secure substantial benefits for the city. This approach ensures that <u>opportunities for development of brownfield sites are maximised</u>, transport impacts will be minimised and the city's countryside and the South Downs National Park will continue to be protected.</p>

## Appendix 2

## Brighton & Hove City Plan Part One – Proposed Modifications Schedule

Ref	Policy/ Paragraph	Proposed Modification
		<p><u>2.20 Much of the land within the city’s defined urban fringe forms part of the city’s green infrastructure; either in terms of the city’s open space framework (e.g. parks, recreation grounds, sports pitches and playing fields, allotments, cemeteries, natural/semi-natural space) or part of the city’s biodiversity resource such as local nature reserves, sites of conservation importance or Nature Improvement Areas. However in light of the significant scale of the city’s housing need, objectively assessed to fall within a range of 18,000 - 24,000 new homes to 2030<sup>#</sup>; the requirement of the government’s National Planning Policy Framework to plan positively to meet housing needs in full and; the need to adequately address the social dimension of sustainable development the potential for housing from the urban fringe has had to be reassessed<sup>##</sup>. The strategy for accommodating growth in the city continues to maximise development opportunities from brownfield sites but also includes the urban fringe as broad source of potential for housing development.</u></p> <p>Insert footnotes:  <sup>#</sup> Coastal West Sussex Housing Study Update 2014  <sup>##</sup> Urban Fringe Assessment Study June 2014</p>
<b>PM018, PM019, PM021</b>	DA2 Brighton Marina, Black Rock and Gas Work Site, pages 38 – 40, 44	<p>Amend Illustrative diagram to remove from key and map ‘shopping area’. Amend policies map to reflect this.</p> <p>3.13 The long term aspiration of the council is to address the deficiencies of the Marina, <del>including the underperforming District Shopping Centre,</del> and the wider area to facilitate the creation of a mixed use <del>district</del> <u>area</u> of the city. This will be achieved through the generation of a sustainable high quality marina environment which creates easier and more attractive access for residents and visitors, extends the promenade environment up to and around the Marina and creates stronger pedestrian and visual links with the sea from the Marina.</p> <p>Amend policy:</p>

**Appendix 2**

Brighton & Hove City Plan Part One – Proposed Modifications Schedule

Ref	Policy/ Paragraph	Proposed Modification
		<p>The strategy for the development area is to facilitate the creation of Brighton Marina and the wider area as a sustainable mixed use <u>district area</u> of the city, through the generation of a high quality marina environment by supporting proposals which:</p> <ul style="list-style-type: none"> <li>• Secure a high quality of building design <u>that takes account of the cliff height issues in and around the Marina</u>, townscape and public realm while recognising the potential for higher density mixed development in accordance with the aims of the Spatial Strategy to optimise development on brownfield sites;</li> <li>• <del>Do not breach the cliff height within the Marina;</del></li> <li>...</li> <li>• Secure a more balanced mix of retail, including support for independent retailers, <u>and non retail uses such as leisure, tourism, and commercial uses</u> <del>and non-retail uses,</del> <u>which accords with its District Centre status;</u></li> <li>...</li> </ul> <p>6. Balancing uses with an emphasis towards boating, surfing, leisure and recreation and the enhancement of the <del>District Centre</del> <u>retail offer</u> through encouraging the provision of mixed retail activity and services to support any additional expansion in population (see CP4).</p> <p>...</p> <p>Proposals for uses in addition to the recreation and leisure use will only be considered where it can be demonstrated that these uses support the delivery of a leisure and recreation facility and <del>are not in competition with the District Centre status of</del> <u>complement development at the Marina</u>. Supporting or enabling uses should perpetuate informal leisure uses associated with the seafront, conserve the historic environment and enhance linkages between Black Rock, the Marina and the Gas Works site.</p> <p>...</p> <p>3.17 <del>The Marina is identified as a District Centre in the city's retail hierarchy (see Policy CP4). The</del></p>

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## Appendix 2

## Brighton & Hove City Plan Part One – Proposed Modifications Schedule

Ref	Policy/ Paragraph	Proposed Modification
		<p>majority of <u>existing</u> retail activity takes place in the Merchant's Quay and at the Asda superstore. Whilst <del>the District Centre</del> <u>Brighton Marina</u> contains a range of bars, restaurants and factory outlet stores related to its wider recreation and leisure role, it <u>currently</u> lacks the full range of shops and services, such as banks and post offices, <del>found typically in District Shopping Centres</del> <u>to support the proposed expansion in residential population</u>. The strategy for the development area is to enhance the choice and performance of retail activity in the <del>District Centre</del> <u>Marina</u> through the encouragement of mixed retail activity and improvements to the public realm. <del>Ancillary</del> <u>Retail development on the Black Rock and Gas Works sites should accord with CP4 Retail Provision. not compete with or prejudice the District Centre at the Marina. A detailed policy regarding the appropriate type and mix of A1 and non A1 uses in the Marina will be set out in Part 2 of the City Plan.</u></p> <p>Add New Paragraph in supporting text after 3.15:</p> <p><u>Fundamental to the strategy for the development area is the provision of mixed use development at a density that helps achieve a vibrant and sustainable place. However proposed developments should ensure the preservation and/or enhancement of the setting of all listed buildings and conservation areas nearby, as well as the wider historic landscape and city skyline including views to and from the South Downs National Park. Applications for higher density development will be assessed in terms of their ability to meet the design and density considerations set out in CP12 and CP14. It is essential that any new development provides an attractive pedestrian environment, active retail and leisure frontages as well as easy access to the harbour, boardwalk, shoreline and other recreational areas within the Marina.</u></p>
PMO64	SA4 Urban Fringe, pages 111- 113	3.154 In many instances the South Downs National Park boundary is contiguous with the built up urban edge of the city. The urban fringe is therefore now made up of 'pockets' of residual green space rather than any homogenous green 'belt' around the city. <del>These areas are vulnerable to development pressures, farm fragmentation and anti-social behaviour such as fly-tipping, vandalism and inappropriate recreational activity such as illegal motor biking. Elsewhere there has been</del>

Ref	Policy/ Paragraph	Proposed Modification
		<p><del>piecemeal enclosure both for the keeping of horses and garden use. Much of the city's urban fringe meets the NPPF definition of existing open space and represents a significant proportion of the city's open space resource. The urban fringe is also important in terms of biodiversity and designations include the South Downs Way Ahead Nature Improvement Area, Local Nature Reserves (LNRs) and Sites of Nature Conservation Interest.<sup>#</sup></del></p> <p>3.155 <u>Within the urban fringe, there will be some opportunities for development to help meet citywide needs. The appropriate nature and form of any such development will need to reflect the need</u> <del>Careful use and management of land within the urban fringe is therefore essential in terms of helping to retain the setting of the city in its downland landscape.</del></p> <p><b>SA4 Urban Fringe</b></p> <p><b>The <u>Where appropriate, the</u> council will promote and support the careful use and management of land within the urban fringe to achieve the following objectives:</b></p> <ol style="list-style-type: none"> <li><b>1. The protection and enhancement of the wider landscape role of land within the urban fringe, the setting of the South Downs National Park and the protection of strategic views into and out of the city.</b></li> <li><b>2. Securing better management of the urban fringe, environmental improvements and safe public access to the countryside through sustainable means.</b></li> <li><b>3. The promotion of <del>the</del> urban fringe <u>land</u> as part of the city's green network and, <u>where appropriate,</u> encouraging opportunities for multi-functional uses such as, appropriate recreation and cultural experience, new allotments and local food production and biodiversity conservation and enhancements (see CP10 Biodiversity).</b></li> </ol>



Ref	Policy/ Paragraph	Proposed Modification
		<p><b>4. The protection of sensitive groundwater source protection zones from pollution and encouraging land management practices that reduce rapid surface water runoff and soil erosion.</b></p> <p><b>5. The creation of ‘gateway’ facilities and interpretative facilities in connection with the South Downs National Park to support sustainable tourism.</b></p> <p><b>Development within the urban fringe will not be permitted except where:</b></p> <p><b>a) a site has been allocated for development in a development plan document; or</b>  <b>b) a countryside location can be justified;</b></p> <p><b><u>and where it can be clearly demonstrated that:</u></b></p> <p><b>c) the proposal has <u>had</u> regard to the downland landscape setting of the city;</b>  <b>d) <u>all any</u> adverse impacts of development are minimised and appropriately <u>mitigated and/or</u> compensated for; and</b>  <b>e) where appropriate, the proposal helps to achieve the policy objectives set out above.</b></p> <p><b><u>Should proposals for development come forward prior to the adoption of Part 2 of the City Plan, the 2014 Urban Fringe Assessment will be a material planning consideration in the determination of applications for residential development within the urban fringe.</u></b></p> <p>Insert the following new Paragraph between 3.157 and 3.158 :</p> <p><u>Some land within the city’s urban fringe has been identified as having potential to help meet the city’s housing requirements (see Part B, Policy CP1 Housing Delivery). Sites identified through the 2014 Urban Fringe Assessment Study (or parts of sites where relevant) will be considered to have</u></p>

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## Brighton & Hove City Plan Part One – Proposed Modifications Schedule

Ref	Policy/ Paragraph	Proposed Modification
		<p><u>potential for housing in the Strategic Housing Land Availability Assessment exercise. Further consideration and a more detailed assessment of potential housing sites will be undertaken to inform allocations made in Part 2 of the City Plan with a particular emphasis on delivering housing to meet local needs. As part of this process, the City Council will consider how best to ensure that opportunities for community land trusts, community-led development, right to build, and housing co-operatives are brought forward/ safeguarded in order to maximise housing opportunities that meet local housing needs. This will be taken forward through the City Plan Part 2. Sites coming forward for development ahead of the preparation of Part 2 of the City Plan will need to address criteria c) to e) set out in Policy SA4 above and satisfy detailed information requirements<sup>#</sup> at the planning application stage.</u></p> <p>Add new footnote:</p> <p><u># This may include, for example, landscape assessment, ecology and archaeology surveys, traffic assessments and possibly Environmental Impact Assessment.</u></p>
PM072	CP1 Housing Delivery, pages 127-132	<p>Amend first sentence in Part A of policy:</p> <p><b>The council will make provision for at least <del>11,300</del> <u>13,200</u> new homes to be built over the plan period 2010 – 2030 (this equates to an annual average rate of provision of <del>565</del> <u>660</u> dwellings).</b></p> <p>Amend Part B of Policy:</p> <p><b>B: Distribution of new housing.</b></p> <p><b>New housing will be delivered broadly in line with the following distribution:</b></p>

**Appendix 2**

Brighton & Hove City Plan Part One – Proposed Modifications Schedule

Ref	Policy/ Paragraph	Proposed Modification																																																			
		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 70%;">Area / Source of Supply</th> <th style="width: 30%;">No. of new homes</th> </tr> </thead> <tbody> <tr> <td colspan="2"><b>Development Area</b></td> </tr> <tr> <td>DA1 – Brighton Centre and Churchill Square Area</td> <td style="text-align: right;">20</td> </tr> <tr> <td>DA2 – Brighton Marina, Gas Works and Black Rock Area</td> <td style="text-align: right;">1940</td> </tr> <tr> <td>DA3 – Lewes Road Area</td> <td style="text-align: right;">840</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>875</u></td> </tr> <tr> <td>DA4 – New England Quarter and London Road Area</td> <td style="text-align: right;">1185</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>1130</u></td> </tr> <tr> <td>DA5 – Eastern Road and Edward Street Area</td> <td style="text-align: right;">470</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>515</u></td> </tr> <tr> <td>DA6 – Hove Station Area</td> <td style="text-align: right;">630</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>525</u></td> </tr> <tr> <td>DA7 – Toad’s Hole Valley</td> <td style="text-align: right;">700</td> </tr> <tr> <td>DA8 – Shoreham Harbour</td> <td style="text-align: right;">400</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>300</u></td> </tr> <tr> <td><b>Development Area Total</b></td> <td style="text-align: right;"><b>6155</b></td> </tr> <tr> <td></td> <td style="text-align: right;"><b>6005</b></td> </tr> <tr> <td><b>Development Across Rest of City:</b></td> <td style="text-align: right;"><b>3945</b></td> </tr> <tr> <td>    a) <u>Within the built up area</u></td> <td style="text-align: right;"><u>4130</u></td> </tr> <tr> <td>    b) <u>Within the urban fringe<sup>#</sup></u></td> <td style="text-align: right;"><u>1060</u></td> </tr> <tr> <td></td> <td></td> </tr> <tr> <td><b>Small identified sites</b></td> <td style="text-align: right;"><b>650</b></td> </tr> <tr> <td></td> <td style="text-align: right;"><b>765</b></td> </tr> <tr> <td><b>Small Windfall Development</b></td> <td style="text-align: right;"><b>600<sup>125</sup></b></td> </tr> <tr> <td></td> <td style="text-align: right;"><b>1250<sup>125</sup></b></td> </tr> </tbody> </table>		Area / Source of Supply	No. of new homes	<b>Development Area</b>		DA1 – Brighton Centre and Churchill Square Area	20	DA2 – Brighton Marina, Gas Works and Black Rock Area	1940	DA3 – Lewes Road Area	840		<u>875</u>	DA4 – New England Quarter and London Road Area	1185		<u>1130</u>	DA5 – Eastern Road and Edward Street Area	470		<u>515</u>	DA6 – Hove Station Area	630		<u>525</u>	DA7 – Toad’s Hole Valley	700	DA8 – Shoreham Harbour	400		<u>300</u>	<b>Development Area Total</b>	<b>6155</b>		<b>6005</b>	<b>Development Across Rest of City:</b>	<b>3945</b>	a) <u>Within the built up area</u>	<u>4130</u>	b) <u>Within the urban fringe<sup>#</sup></u>	<u>1060</u>			<b>Small identified sites</b>	<b>650</b>		<b>765</b>	<b>Small Windfall Development</b>	<b>600<sup>125</sup></b>		<b>1250<sup>125</sup></b>
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**Appendix 2**

**Brighton & Hove City Plan Part One – Proposed Modifications Schedule**

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**Brighton & Hove City Plan Part One – Proposed Modifications Schedule**

Ref	Policy/ Paragraph	Proposed Modification
		<p>essential development (for employment, retail, health and education facilities, other community and leisure facilities) and the need to respect the historic, built and natural environment of the city.</p> <p>4.6 The spatial strategy for the city is set out earlier in this Plan (see Spatial Strategy, Section 2). In broad terms, the strategy seeks to direct a significant amount of new development to eight identified Development Areas (see Policies DA1-8) which either already benefit from close proximity to good sustainable transport links or are areas where accessibility can be improved; are areas which offer significant capacity for new development and are areas where new development and/or regeneration and renewal will secure substantial benefits for the city. <u>The strategy for accommodating growth in the city continues to maximise development opportunities from brownfield sites within the built up area but it also acknowledges that some housing development will come forward from some of the city’s urban fringe sites. This is reflected in Part B of Policy CP1.</u></p> <p>4.7 The eight Development Areas account for <del>just over half (54%)</del> 45% of the planned amount of new housing for the city. Within the Development Areas, the City Plan makes strategic allocations to secure the delivery of 3235 new dwellings (see spatial policies DA2 – DA8). In other parts of the city, there are also a significant range of opportunities for new residential development (through, for example conversions, redevelopment and changes of use) and such development will help to promote and secure the establishment of sustainable communities. Residential development will be required to respect the local character and distinctiveness of neighbourhoods (see also SA6, CP12 and CP14).</p> <p>4.8 Over the last 15 years<sup>128</sup> the average rate of new housing development in Brighton &amp; Hove has been around <del>550</del> 540 dwellings per annum. More recently, annual rates of housing delivery have been far lower than this reflecting the ongoing impacts of global economic recession<sup>129</sup>.</p> <p>Amend footnote 128:</p> <p><sup>128</sup> <del>1997/8 – 2011/12, Residential completions data.</del> 1999/00 – 2013/14 Residential Completions Data.</p>

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**Brighton & Hove City Plan Part One – Proposed Modifications Schedule**

Ref	Policy/ Paragraph	Proposed Modification
		<p>4.10 The city’s housing target implies an annual average rate of <del>565</del> <u>660</u> dwellings per annum over the plan period as a whole. Based on the 2012<del>4</del> SHLAA update, the <u>housing trajectory</u><sup>130</sup> <u>demonstrates that housing delivery in the city has been below this in the first four years of the plan period (2010-2014), reflecting the impacts of economic recession. The trajectory anticipates that housing delivery is likely to achieve at least this rate in the first ten years after plan adoption (2014–2024) will increase in the (post adoption) five year supply period 2014 – 2019 and achieve the planned average delivery rate of 660 units per annum. In the following six to ten year supply period (2019 – 2024), housing delivery rates are anticipated to increase significantly with delivery coming through from a number of the city’s larger strategic development sites. For the post 2024 period, the trajectory indicates that housing delivery is again likely to exceed the planned average delivery rate. The council’s Housing Implementation Strategy (HIS) identifies a range of <u>positive planning management actions and measures to ensure that housing delivery is achieved assist in across the plan period in accordance with guidance in the NPPF for maintaining a five year supply of deliverable housing. bringing forward sites for development should this prove necessary.</u> The HIS also identifies that further site allocations will be made through the preparation of Part 2 of the City Plan.</u></p> <p>Amend footnote 130:</p> <p><sup>130</sup>As informed by the <del>2012 SHLAA Update</del> <u>the 2014 Revised Trajectory.</u></p> <p>Replace Figure 2 with revised Housing Trajectory:</p> <p><b>Figure 2: Housing Trajectory 2010 – 2030 (Based on 2012 SHLAA)</b></p>

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Brighton & Hove City Plan Part One – Proposed Modifications Schedule

Ref	Policy/ Paragraph	Proposed Modification
		<p style="text-align: center;"><b>Brighton &amp; Hove Housing Trajectory as at 1st April 2012</b></p> <p style="text-align: center;"><b>Figure 2: Housing Trajectory 2010 – 2030 (Based on 2012 SHLAA) 2010 – 2030 (Based on SHLAA 2014 Update)</b></p>

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Brighton & Hove City Plan Part One – Proposed Modifications Schedule

Ref	Policy/ Paragraph	Proposed Modification
		<p style="text-align: center;"><b>Housing Trajectory Revised Position 2014</b></p> <p>The chart displays the housing trajectory in units per annum from 2010/11 to 2029/30. The Y-axis represents 'Units' from 0 to 900. The X-axis represents 'Year'. A horizontal green line indicates the City Plan Annual Target of 660 units per annum. The bars are stacked with the following categories from bottom to top: Affordable Housing Delivery (light blue), Identified Supply (Market Element) (dark blue), Small Unidentified Supply (Small windfall allowance) (grey), Completions (Affordable Housing) (yellow-green), and Completions (Market Element) (green). The total supply starts below the target in 2010/11 and 2011/12, crosses it in 2012/13, and remains above it through 2029/30.</p> <p>Amend footnote 131:  <sup>131</sup>SHLAA 2012 2014 Update.</p>



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## Brighton & Hove City Plan Part One – Proposed Modifications Schedule

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		<p>4.12 The table below illustrates that approximately <del>3230</del> <u>3,740</u> dwellings have either already been built since 2010 or are currently 'committed' for development in terms of <u>either</u> sites having an extant planning permission or <u>an allocation</u> in the 2005 Brighton &amp; Hove Local Plan. This plan makes strategic site allocations to achieve a further 3635 dwellings. Further capacity is identified for an additional <del>3885</del> <u>4585</u> dwellings and appropriate site allocations will need to be made in Part 2 of the City Plan. These 'identified' sources comprise <u>990%</u> of the overall housing target to 2030.</p> <p><b>Table 4: Housing Delivery, Supply Breakdown 2010 – 2030 (Based on <del>2012</del> <u>2014</u> SHLAA)</b></p> <table border="1"> <thead> <tr> <th>Spatial Area</th> <th>Already Built or Committed</th> <th>Strategic Allocations</th> <th>Broad Locations / <u>Source</u></th> <th>Further Capacity Identified in SHLAA</th> <th>Allowance For windfall</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td><b>DA1</b></td> <td>13</td> <td>0</td> <td></td> <td>7</td> <td></td> <td>20</td> </tr> <tr> <td><b>DA2</b></td> <td>855</td> <td>1085</td> <td></td> <td>0</td> <td></td> <td>1940</td> </tr> <tr> <td><b>DA3</b></td> <td><del>120</del> <u>126</u></td> <td>300</td> <td></td> <td><del>390</del> <u>449</u></td> <td></td> <td><del>850</del> <u>875</u></td> </tr> <tr> <td><b>DA4</b></td> <td><del>285</del> <u>380</u></td> <td>615</td> <td></td> <td><del>285</del> <u>135</u></td> <td></td> <td><del>1185</del> <u>1130</u></td> </tr> <tr> <td><b>DA5</b></td> <td><del>0</del> <u>10</u></td> <td>335</td> <td></td> <td><del>135</del> <u>170</u></td> <td></td> <td><del>470</del> <u>515</u></td> </tr> <tr> <td><b>DA6</b></td> <td><del>120</del> <u>90</u></td> <td>200</td> <td></td> <td><del>310</del> <u>235</u></td> <td></td> <td><del>630</del> <u>525</u></td> </tr> <tr> <td><b>DA7</b></td> <td>0</td> <td>700</td> <td></td> <td>0</td> <td></td> <td>700</td> </tr> <tr> <td><b>DA8</b></td> <td><del>0</del> <u>52</u></td> <td></td> <td>400 <u>248</u></td> <td></td> <td></td> <td>400 <u>300</u></td> </tr> </tbody> </table>	Spatial Area	Already Built or Committed	Strategic Allocations	Broad Locations / <u>Source</u>	Further Capacity Identified in SHLAA	Allowance For windfall	Total	<b>DA1</b>	13	0		7		20	<b>DA2</b>	855	1085		0		1940	<b>DA3</b>	<del>120</del> <u>126</u>	300		<del>390</del> <u>449</u>		<del>850</del> <u>875</u>	<b>DA4</b>	<del>285</del> <u>380</u>	615		<del>285</del> <u>135</u>		<del>1185</del> <u>1130</u>	<b>DA5</b>	<del>0</del> <u>10</u>	335		<del>135</del> <u>170</u>		<del>470</del> <u>515</u>	<b>DA6</b>	<del>120</del> <u>90</u>	200		<del>310</del> <u>235</u>		<del>630</del> <u>525</u>	<b>DA7</b>	0	700		0		700	<b>DA8</b>	<del>0</del> <u>52</u>		400 <u>248</u>			400 <u>300</u>
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		DA	<b>1390</b>	<b>3235</b>	<b>400</b>	<b>1130</b>		<b>6155</b>
		Total	<b>1525</b>		<b>250</b>	<b>1000</b>		<b>6005</b>
		Rest of City	<b>1190</b>		<b>500</b>	<b>1856</b>		<b>3945</b>
		a) <b>Built up area</b>	<b>1450</b>	<b>400</b>	<b>390</b>	<b>1890</b>		<b>4130</b>
		b) <b>Urban Fringe</b>				<b>1060</b>		<b>1060</b>
		Small id. Sites	<b>650</b>					<b>650</b>
			<b>765</b>					<b>765</b>
		Small Windfall				<b>600</b>		<b>600</b>
						<b>1250</b>		<b>1250</b>
		<b>Total</b>	<b>3230</b>	<b>3635</b>	<b>900</b>	<b>2985</b>	<b>600</b>	<b>11350</b>
			<b>3740</b>		<b>640</b>	<b>3945</b>	<b>1250</b>	<b>13210</b>
		<p>Paragraph 4.13</p> <p>Amend the final sentence to read:</p> <p><u>Part B of Policy CP1 also indicates that some sites within the city’s wider urban fringe will contribute to housing land supply. Sites will be taken forward for further consideration and detailed assessment as site allocations through Part 2 of the City Plan. The 2014 Urban Fringe Assessment Study will be a material consideration in the determination of any applications for residential development on urban fringe sites that come forward prior to the adoption of Part 2 of the City Plan (see Policy SA4 Urban Fringe).</u></p>						

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## Brighton & Hove City Plan Part One – Proposed Modifications Schedule

Ref	Policy/ Paragraph	Proposed Modification
		<p>4.15 <del>Government <u>National</u> planning <u>policy</u> guidance</del> requires sufficient specific sites and/or broad locations to be identified to meet planned housing targets for at least the first ten years of the plan<sup>133</sup>. In reality, small ‘windfall’ site development (as described above) will come forward throughout the plan period and will contribute towards meeting the planned housing requirements for the city and ongoing five year supply requirements. <u>The potential supply from small windfall site development is reflected in the planned housing target for the city (see Part B of Policy CP1).</u> <del>In this way, development from small windfall development activity will supplement housing supply achieved from identified sites and also provide a measure of contingency should there be an element of non-delivery from some of the large development sites. Given the NPPF requirements, a minimal allowance for development from this source has only been included as part of the city’s projected land supply after 2024.</del></p> <p>Amend footnote 132:</p> <p><sup>132</sup>Small site development <u>has</u> accounted for approximately <u>35%</u> <del>36%</del> of total residential development across the city over the last 10 years.</p> <p>4.16 The housing trajectory is based upon reasonable <u>and realistic</u> assumptions about the deliverability of housing over the plan period. The trajectory illustrates that the rate of housing delivery in the city is expected to increase over the first ten years of the plan period (<del>post-adoption</del>) reflecting anticipated recovery in the economy and financial markets which has severely affected development rates in the early years of the plan period. The trajectory will be updated and reviewed on an annual basis to track delivery progress against planned housing requirements and the requirement to maintain a five year supply of housing land/sites. This will be reported through the council’s annual Authority Monitoring Report. The council’s Housing Implementation Strategy outlines how housing delivery will be managed over the plan period.</p>
<b>PM078, PM081</b>	CP4 Retail Provision, Pages 144, 146	<b>Brighton &amp; Hove's hierarchy of shopping centres will be maintained and enhanced by encouraging a range of facilities and uses, consistent with the scale and function of the centre, to meet people's day-to-day needs, whilst preserving the predominance of A1use</b>

**Appendix 2**

**Brighton & Hove City Plan Part One – Proposed Modifications Schedule**

Ref	Policy/ Paragraph	Proposed Modification																							
		<p><b>classes:</b></p> <table border="1" data-bbox="566 384 1641 1206"> <thead> <tr> <th data-bbox="566 384 831 459">Centre Definition</th> <th data-bbox="831 384 1350 459">Defined Centres</th> <th data-bbox="1350 384 1641 459">Linked Policies</th> </tr> </thead> <tbody> <tr> <td data-bbox="566 459 831 499">Regional Centre</td> <td data-bbox="831 459 1350 499">Brighton</td> <td data-bbox="1350 459 1641 499">DA1, SA2</td> </tr> <tr> <td data-bbox="566 499 831 568" rowspan="2">Town Centres</td> <td data-bbox="831 499 1350 539">Hove</td> <td data-bbox="1350 499 1641 539"></td> </tr> <tr> <td data-bbox="831 539 1350 568">London Road</td> <td data-bbox="1350 539 1641 568">DA4</td> </tr> <tr> <td data-bbox="566 568 831 719" rowspan="4">District Centres</td> <td data-bbox="831 568 1350 608">St James's Street</td> <td data-bbox="1350 568 1641 608"></td> </tr> <tr> <td data-bbox="831 608 1350 647">Lewes Road</td> <td data-bbox="1350 608 1641 647">DA3</td> </tr> <tr> <td data-bbox="831 647 1350 687">Boundary Road/Station Road</td> <td data-bbox="1350 647 1641 687">DAB</td> </tr> <tr> <td data-bbox="831 687 1350 719">Brighton Marina</td> <td data-bbox="1350 687 1641 719">DA2</td> </tr> <tr> <td data-bbox="566 719 831 1206">Local Centres</td> <td data-bbox="831 719 1350 1206">                     Mill Lane, Portslade                      Portland Road, Hove                      'The Grenadier' , Hangleton Road                      Richardson Road, Hove                      Eldred Avenue ,Withdean Old                      London Road, Patcham Ladies Mile                      Road, Patcham Seven Dials                      Fiveways                      Hollingbury Place, Hollingdean                      Beaconsfield Road, Preston Park St                      George's Road, Kemptown Warren                      Way, Woodingdean                      Whitehawk Road, Whitehawk                 </td> <td data-bbox="1350 719 1641 1206">                     SA6                      (all centres)                 </td> </tr> </tbody> </table> <p data-bbox="551 1241 1928 1385">4.44 The Brighton &amp; Hove Retail Study Update (2011)<sup>160</sup> has reviewed the vitality and viability of each of the shopping centres. The Study does not recommend that any new centres need to be designated but recommends that the District Centre designation for Brighton Marina should be removed. The Council's preferred approach for Brighton Marina is to maintain its designation as a</p>	Centre Definition	Defined Centres	Linked Policies	Regional Centre	Brighton	DA1, SA2	Town Centres	Hove		London Road	DA4	District Centres	St James's Street		Lewes Road	DA3	Boundary Road/Station Road	DAB	Brighton Marina	DA2	Local Centres	Mill Lane, Portslade Portland Road, Hove 'The Grenadier' , Hangleton Road Richardson Road, Hove Eldred Avenue ,Withdean Old London Road, Patcham Ladies Mile Road, Patcham Seven Dials Fiveways Hollingbury Place, Hollingdean Beaconsfield Road, Preston Park St George's Road, Kemptown Warren Way, Woodingdean Whitehawk Road, Whitehawk	SA6 (all centres)
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		District Centre <u>enhance the choice and performance of retail activity through the encouragement of mixed retail activity and improvements to the public realm</u> , and to continue to address the development and future uses at this location using site specific policy DA2. <u>A detailed policy regarding the appropriate type and mix of A1 and non A1 uses in the Marina will be set out in Part 2 of the City Plan.</u>																																				
<b>PM085, PM087, PM089</b>	CP8 Sustainable Buildings, Pages 160, 162,164	<p>Amend table set out under CP8.1:</p> <p><b>1. All development will be required to achieve the minimum standard as set out below or equivalent standards from a quality assured scheme;</b></p> <table border="1"> <thead> <tr> <th rowspan="3"></th> <th colspan="2">Development size</th> <th rowspan="2">Post 2016</th> <th rowspan="2">Post 2019</th> </tr> <tr> <th colspan="2">2013-2016</th> </tr> <tr> <th>Non-major</th> <th>Major and Greenfield</th> <th>All</th> <th>All</th> </tr> </thead> <tbody> <tr> <td><b>NEW BUILD</b></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>Residential</b> Code for Sustainable Homes</td> <td colspan="2"><u>Level 4</u> <del>Level 5</del></td> <td colspan="2"><u>Level 5</u> <del>Level 6</del></td> </tr> <tr> <td><b>Non-residential</b> BREEAM</td> <td>Very Good</td> <td>Excellent</td> <td colspan="2">Outstanding</td> </tr> <tr> <td><b>CONVERSIONS</b></td> <td colspan="4"><b>Non-major (3-9 units) and Major</b></td> </tr> <tr> <td><b>Residential</b></td> <td colspan="4">BREEAM Very good</td> </tr> </tbody> </table> <p><b>Standards may be updated in other DPD documents and/or a review of this policy.</b></p>		Development size		Post 2016	Post 2019	2013-2016		Non-major	Major and Greenfield	All	All	<b>NEW BUILD</b>					<b>Residential</b> Code for Sustainable Homes	<u>Level 4</u> <del>Level 5</del>		<u>Level 5</u> <del>Level 6</del>		<b>Non-residential</b> BREEAM	Very Good	Excellent	Outstanding		<b>CONVERSIONS</b>	<b>Non-major (3-9 units) and Major</b>				<b>Residential</b>	BREEAM Very good			
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## Brighton & Hove City Plan Part One – Proposed Modifications Schedule

Ref	Policy/ Paragraph	Proposed Modification
		<p>4.77 Brighton &amp; Hove is particularly vulnerable to the impacts of present and future climate change. Opportunities for growth and expansion are constrained by the South Downs to the north of the city and the sea to the south. The city also contains a high proportion of protected and/or old buildings<sup>184</sup>. Within this context, the need to secure improvement in the environmental performance of the existing stock as well as more resource efficient and carbon neutral development whilst delivering homes and jobs through development is challenging. The combination of standards with provisions for viability assessments will help address this challenge. This will provide the flexibility needed to ensure the right balance between the economic, environmental and social objectives of the City Plan. <del>The standards set out in this policy are commensurate with the scope of this challenge.</del> Energy, water and waste have been identified as key resource issues of particular concern in relation to growth in the city<sup>185</sup>.</p> <p>4.83 The Building Research Establishment Environmental Assessment Method (BREEAM) and the Code for Sustainable Homes (CSH) are widely recognised, accredited, independent methods for assessing environmental performance of non-residential and residential buildings, respectively. These tools will be used to support policy decision making because they cover a wide range of sustainability issues within a simplified score that provides flexibility for developers in meeting standards set in this policy. Successors to these tools and/or equivalent standards by nationally recognised certification bodies may also be accepted<sup>190</sup>. <u>Any changes to nationally described standards and or revised Building Regulations will be addressed through Part 2 of the City Plan or a review of this Policy.</u></p> <p>4.87 <del>More is asked of larger, new build and greenfield types of development as these tend to benefit from economies of scale and easier, cheaper ways in which sustainable design and construction features can be designed in. A growing number of flagship schemes in the UK<sup>191</sup> and in Brighton &amp; Hove<sup>192</sup> have demonstrated the viability of such developments.</del></p> <p>Delete footnotes 191 and 192:</p>

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**Brighton & Hove City Plan Part One – Proposed Modifications Schedule**

Ref	Policy/ Paragraph	Proposed Modification
		<p><sup>191</sup> See Homes and Communities Agency's Carbon Challenge website.</p> <p><sup>192</sup> A number of high standard developments have already been achieved under the 2005 adopted Local Plan policy SU2.</p>
<p><b>PM099, PM101</b></p>	<p>CP16 Open Space, pages 196-197</p>	<p><b>... Planning permission resulting in the loss of open space, including the beach, will not be granted unless:</b></p> <p>Add at the end of section 1:</p> <p><b><u>e) The 2014 Urban Fringe Assessment will be a material consideration in the determination of applications for residential development in the urban fringe prior to the adoption of Part 2 of the City Plan.</u></b></p> <p>...</p> <p>4.174 A review of the capacity and need for open space was required and the findings of the Open Space, Sport and Recreation Study 2008 were further assessed through the Open Space Study Update 2011. The Update Study endorsed the local open space standards and the approach taken in the 2008 study. It devised a scoring system to assess open space which was applied to private open spaces and used to inform the 2010 Strategic Housing Land Availability Assessment. However the factors that produce a low open space offer (a combined assessment of 'quantity', 'accessibility' and 'quality' including potential) also limit a site's suitability for housing and no additional open space sites were identified <u>through that study</u> as suitable for housing. <u>However, through the 2014 Urban Fringe Site Assessment Study some of the open spaces within the city's urban fringe has been identified as having some potential to help meet the city's housing requirements (see Policies SA4 and CP1).</u> Unlike other urban open spaces the net loss of some open space in the urban fringe</p>

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## Brighton & Hove City Plan Part One – Proposed Modifications Schedule

Ref	Policy/ Paragraph	Proposed Modification
		<p><u>these sites can more readily be mitigated through the provision of new publicly accessible space, enhancements to existing space or by alternative provision within the National Park and/or compensated for by the National Park's open space offer.</u></p> <p>4.175 When the open space standards are applied, a significant increase in open space will be required by 2030 (an additional <del>237</del> <u>293</u> hectares should be <del>created</del> <u>provided</u> when ONS population projections are applied, <del>which however is reduced to 202 hectares</del> when the City Plan housing target of <u>13,200</u> is taken into account <u>the generated demand equates to approximately 167 hectares</u><sup>214</sup>). It is therefore important new developments seek to provide the open space requirements generated respectively. However due to the city's physical constraints, between the sea and the South Downs National Park, it is recognised that the future open space requirements are unlikely to be met in full. To compensate, more intensive use of existing open space will be needed in an attempt to maintain current quality of life including the opening up of school grounds to the community/public and an expectation that owners should endeavour to enable better open space use of under-used private spaces. There will also be a need to better connect green spaces together to improve accessibility and to improve access for quiet recreation to the South Downs National Park.</p> <p>Amend footnote 214:</p> <p><sup>214</sup>ONS stands for Office for National Statistics. <u>The 2030 population figure applied is 310,900 based on ONS 2012-based Subnational Population Projections. The indicative generated demand of 13,200 residential units is calculated using the council's excel open space standards calculator and by assuming an average unit size of 2 bedrooms. The difference between the two figures is considered to be due to the accumulative quantitative shortfall in open space arising since the base year of 2006 and also the potential of the housing target to restrict growth in population. These figures apply a population figure of 302,806 and 294,072 respectively which are based on information in the ONS 2010-based Sub National Population Projections March 2012 and 2011-based interim projections covering 2011-2012 (published Sept 2012) – Initial release of 2011 Census Data. The population figures are detailed and explained further in the Housing Requirements Study (Update of 2011 HRS Study).</u></p>



Ref	Policy/ Paragraph	Proposed Modification								
PM102	CP17 Sports Provision, Pages 200-201	<p>... <b>Planning permission resulting in the loss of indoor and outdoor sports facilities and spaces will not be granted except where:</b></p> <p>...</p> <p>Add at the end of section 2:</p> <p><b><u>The 2014 Urban Fringe Assessment will be a material consideration in the determination of applications for residential development in the urban fringe prior to the adoption of Part 2 of the City Plan.</u></b></p> <p>...</p> <table border="1" data-bbox="555 794 1686 1391"> <tr> <td colspan="2" data-bbox="555 794 1686 834"><b>Standard for Indoor and Outdoor Sports Facilities</b></td> </tr> <tr> <td colspan="2" data-bbox="555 834 1686 874"><b>Indoor Sports</b></td> </tr> <tr> <td colspan="2" data-bbox="555 874 1686 914"><b>Quantity (indoor sport)</b></td> </tr> <tr> <td data-bbox="555 914 1104 1391">Modelling undertaken in line with Sport England parameters. Standards to comply with national best practice.</td> <td data-bbox="1104 914 1686 1391">The Open Space, Sport and Recreation Study recommends the council should aim to provide a new multi-sports wet/dryside leisure centre (in addition to the replacement of provision currently provided for the King Alfred Leisure Centre) and indicates a further potential need for additional pool space and indoor sports halls. The study also indicates a demand for an indoor arena and ice rink (See also the Sports Facility Plan for further recommendations).</td> </tr> </table>	<b>Standard for Indoor and Outdoor Sports Facilities</b>		<b>Indoor Sports</b>		<b>Quantity (indoor sport)</b>		Modelling undertaken in line with Sport England parameters. Standards to comply with national best practice.	The Open Space, Sport and Recreation Study recommends the council should aim to provide a new multi-sports wet/dryside leisure centre (in addition to the replacement of provision currently provided for the King Alfred Leisure Centre) and indicates a further potential need for additional pool space and indoor sports halls. The study also indicates a demand for an indoor arena and ice rink (See also the Sports Facility Plan for further recommendations).
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## Brighton & Hove City Plan Part One – Proposed Modifications Schedule

Ref	Policy/ Paragraph	Proposed Modification			
		<b>Accessibility (indoor sport)</b>			
		Standards to comply with national best practice.			
		<b>Quality (indoor sport)</b>			
		All facilities should be built or provided in accordance with national best practice			
		<b>Outdoor Sports</b>			
		<b>Quantity (outdoor sport)</b>			
		Current Provision	Current Provision (Ha/1,000 pop)	Proposed Standard (Ha/1,000 pop)	Additional Space required by 2030 <sup>215</sup>
		Approx 118.5 Hectares	0.47	0.47	Approx <del>20 to 23</del> <u>15.5 to 28</u> hectares
		<b>Accessibility (outdoor sport)</b>			
		20 minute walk time (960 metres)			
		<b>Quality (outdoor sport)</b>			
		Clean, litter-free sports facilities should be provided with appropriate, well drained, well maintained surfaces. Ancillary accommodation should include toilets, changing facilities, dog waste bins and litter bins and appropriate amenity and sports lighting.			
		<b>Standard for Indoor and Outdoor Sports Facilities</b>			
		All sites should meet the minimum specifications of the appropriate National Governing Body of sport and meet Equality Act 2010 guidance.			
		Amend footnote 215:			
		<sup>215</sup> Applying a 2030 population figure of 310,900, based on ONS 2012-based Subnational Population Projections, an additional 27.6 hectares of outdoor sport space will be required. However, when the indicative generated demand of the			

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## Brighton & Hove City Plan Part One – Proposed Modifications Schedule

Ref	Policy/ Paragraph	Proposed Modification
		<p>City Plan's housing target of 13,200 residential units is calculated (using the council's excel open space standards calculator and by assuming an average unit size of 2 bedrooms) an additional 15.5 hectares is required. The difference between the two figures is considered to be due to the accumulative quantitative shortfall in outdoor sport arising since the base year of 2006 and also the potential of the housing target to restrict growth in population. ONS stands for Office for National Statistics. Based on information in the Office for National Statistics 2010-based Sub National Population Projections March 2012 and 2011-based interim projections covering 2011-2012 (published Sept 2012) – initial release of 2011 Census Data. Applying the respective 2030 projection figure of 299,777 an additional 22.9 hectares will be required however on the assumption that the City Plan housing targets will restrict the growth in population to 292,886 this will reduce the additional outdoor sport requirement to 19.66 hectares. The population figures are detailed and explained further in the Housing Requirements Study (Update of 2011 HRS Study).</p>



## **Appendix 4 - City Plan: Summary of New / Updated Background Studies**

### **1. Assessment of Housing Development Needs Sussex Coast Housing Market Area, GL Hearn 2014**

This study provides an updated assessment of housing development needs in the Sussex Coast Housing Market Area (HMA) in response to revised demographic data published by the Office of National Statistics. National Planning Policy Guidance requires local authorities to take account of new demographic information in order to ensure that the council's objectively assessed housing needs are based on the most up to date information. The study updates the previous Housing Duty to Co-operate Study, Sussex Coast HMA May 2013 and provides a robust background document to support the City Plan.

The 2014 Assessment takes account of the following information:

- ONS updates regarding net migration
- ONS updates on household formation rates

The report suggests that the most realistic projection of future (unconstrained) housing requirements for the city indicates a requirement for an additional 18,000 – 24,000 dwellings over the 2010 – 2030 plan period (equivalent to 800 -1000 homes per annum).

### **2. Duty to Cooperate Statement Update, September 2014**

The City Council published a Duty to Cooperate Compliance Statement to accompany the Submission version of the City Plan Part 1 in summer 2013. This detailed the measures which had been taken to comply with the Duty to Cooperate up to the point of submission.

The examination hearings took place in October 2013, and the Inspector issued a letter to the City Council in December 2013 detailing her initial conclusions on a number of soundness issues. In her letter, the Inspector stated that “the Council has sought to engage positively with neighbouring authorities in the region” and stated that her initial conclusion was that the legal requirement of the Duty under Section 33a of the Planning and Compulsory Purchase Act 2004 had been met.

It is at the point of submission that the legal requirement needs to be met in judging whether a plan submitted for examination has met the requirements of the Duty. Given the time that has elapsed since the City Plan was first submitted the paper has been updated to demonstrate the positive progress made on Duty to Cooperate. It outlines the continued cross-boundary work undertaken by the City Council with adjoining authorities.

The most significant advances since the publication of the first document have been the agreement of the Greater Brighton City Deal with Government followed by the establishment of the Greater Brighton Economic Board. The adoption of the Local Strategic Statement for the Coastal West Sussex and Greater Brighton Area which will be subject to update and review. In addition there have been a number of meetings and discussions with other local authorities in the context of Duty to Cooperate and the development of their Local Plans.

### **3. Transport Assessment Update, JMP Consultants (2014)**

JMP Consultants was commissioned by the city council to update the May 2013 Strategic Transport Assessment (TA) of the City Plan Part 1 to take account the identification of the urban fringe as broad source of potential for housing development and the increased windfall allowance.

The STA Update has documented the additional transport impacts arising from the City Plan main modifications in terms of the increased housing target. The key objectives have been to:

- determine the transport impacts of the development strategy detailed in the updated 2030 City Plan including potential highway and public transport impacts and associated constraints on travel; and
- determine the level of interventions (mitigation) required to manage traffic and transport in order to support sustainable development and the City Plan.

Specifically this report has sought to determine whether the mitigation previously proposed for 11,300 dwellings; also satisfactorily mitigates the additional 1,900 dwellings identified in Brighton & Hove mainly on the urban fringe.

To establish the impacts of the updated City Plan the following forecast year scenarios have been re-run:

- 2030 City Plan Reference Case – Base model plus committed developments and transport schemes that are certain or near certain of being delivered in the plan period plus the strategic developments noted in the proposed City Plan (Development Areas 1 to 8) and Urban Fringe sites.
- 2030 City Plan Mitigation Case – This is the 2030 City Plan Reference Case plus the additional mitigation measures identified in the May 2013 STA and required to address travel constraints.

The assessment of these scenarios has been conducted for a morning and evening weekday peak period and has revealed the following at a strategic level:-

- The proposals within the updated City Plan Mitigation show an increase in both car trips and public transport trips. This is to be expected given 20 years of growth on the network from committed developments and background traffic growth.

- The overall public transport modal split for the city is lower with the urban fringe sites because these have lower levels of public transport accessibility than the development areas already tested
- Without further public transport interventions, the modal split from the new urban fringe sites is likely to be more car dominated than for the development areas which were tested in the 2013 May STA.
- There is a higher modal share by public transport with and without the additional 1,900 dwellings than in the 2010 base.
- In the evening peak, the mitigation measures already identified in the May 2013 STA will be sufficient to return the operation of the network to slightly better than if the developments were not there. In the morning peak, the model is forecasting a slight deterioration of around 8%.

The results of the modelling show that a sustained improvement in public transport provision and walking and cycling facilities accompanied by personalised travel planning and behaviour change campaigns will be required to ensure that developments in the urban fringe offer a realistic travel choice. This is in addition to the mitigation already identified in the May 2013 STA.

Given the location of these sites, bus based solutions are likely to be required and the update identifies some potential measures which might be considered at the detailed planning application stage as developments come forward. In particular opportunities should be explored to link some of the public transport interventions at Toads Hole Valley with those in neighbouring development areas such as Hangleton and Mile Oak.

At a local level, increases in traffic and journey times are forecast around the northern part of Brighton & Hove and in particular where it interfaces with the Highways Agency's Strategic Road Network. The City Plan mitigation previously developed in conjunction with the Highways Agency has been tested further and this indicates that the conclusions drawn for the May 2013 STA are still valid. That is, a package of junction improvements has been identified and discussed with the HA which would enable traffic to more efficiently leave the A27, with no detrimental impact on the safety and efficiency of the mainline carriageway.

#### **4. 2014 SHLAA Update (September 2014)**

The Strategic Housing Land Availability Assessment (SHLAA) is updated annually to take account of the latest annual residential monitoring exercise and any further technical work regarding development site capacity and viability.

The SHLAA site and summary schedules illustrate actual and anticipated residential development over the City Plan timescales 2010 – 2030. The schedules also illustrate what is expected to be delivered spatially across the city in terms of the eight Development Areas (DA1 – DA8) indicated in the City

Plan Part one across the Rest of the City. The 2014 SHLAA Update has also taken account the findings of the 2014 Urban Fringe Assessment Study and the identification of the Urban Fringe as broad source of potential for housing.

The 2014 SHLAA Update indicates there is potential capacity for around 13,200 dwellings to be delivered over the plan period. An updated 'housing trajectory' indicates the rate at which residential development is anticipated to come forward over the plan. This has informed the Housing Implementation Strategy (Annexe 3 to the City Plan Part 1). A final version of the SHLAA has been produced in September following consultation with landowners.

## **5. Sustainability Appraisal**

The aim of the City Plan is to deliver sustainable development of the city in accessible locations and to help create cohesive and sustainable communities. The Sustainability Appraisal tests the extent to which the City Plan meets identified sustainable development principles. This is a separate independent document produced alongside the City Plan, which critically examines its objectives, options and policies and tests them against the principles of sustainable development.

One of the tasks of the SA is to ensure that all reasonable alternatives have been evaluated. The SA has therefore tested the implications of the revised Spatial Strategy against the alternative option of Spatial Strategy as set out in the Submission City Plan Part 1 (2013). It has also tested the implications of the housing target set out in the proposed modification to CP1 Housing Delivery against an alternative option of meeting the full objectively assessed need for housing.

The SA report provides an overview of what the anticipated impacts of implementing the Plan will be. The SA has therefore carried out a re-assessment of all policies whereby the Proposed Modification resulted in a significant change to the previous SA findings. As a result, the SA has led to a series of minor amendments to the Proposed Modifications to the City Plan.

Overall, the SA of the proposed modifications comes to the conclusions that the Plan will make an important contribution to achieving sustainable development in the city and that it balances the competing development needs of the city in a way that protects the majority of the natural environment and the historic built environment. Where there is potential for adverse impacts, the SA considers that the policies contained within the Plan should ensure any impacts are minimised and mitigated to an acceptable level.

## **6. Appropriate Assessment June 2014 Updated Report (Habitats Regulations Assessment Report)**

This updated assessment takes account of the increased housing target and the identification of the urban fringe as a broad source of potential for housing. The aim of the assessment is to evaluate the ecological impact of the



proposed modifications to the City Plan Part 1 to ensure that it does not have an adverse effect on any European or Ramsar wildlife sites.

The updated Report concluded that from the information available at the proposed modifications stage, all the possible impacts of the proposed modifications to the Brighton & Hove City Plan Part 1 on European sites had been discounted at the screening stage of the Appropriate Assessment. It therefore concluded that no further change to the City Plan Part 1 was required. In addition, it concluded that the City Plan Part 1 did not support any project proposal that would have an adverse effect on the integrity of any European or Ramsar site.

## **7. Health Equalities Impact Assessment (HEQIA) Addendum**

The aim of the Health & Equalities Impact Assessment is to identify potential health and equalities outcomes, both adverse and beneficial, and their distribution amongst sensitive community groups. The proposed modifications to the City Plan Part 1 have been appraised against a framework consisting of the key determinants of health and the potential health outcome upon sensitive community groups identified in order to address current and prevent future adverse health and equality outcomes.

The Assessment concluded that the majority of the proposed main modifications to have no impact or to strengthen the potential for beneficial impacts against a range of health determinants. In the cases where the HEQIA predicted an adverse impact, the HEQIA considered the requirements of Policy CP18: A Healthy City to address the concerns. The HEQIA made some individual recommendations for changes to proposed modifications policies in order to strengthen the requirements of CP18. These have been made to either prevent or reduce the potential for an adverse health or equalities outcome.

Overall, the HEQIA concluded that the City Plan, as modified, presents policies that are co-ordinated to address health and well-being outcomes throughout the city.

## **8. Sequential and Exception Tests for the Brighton & Hove City Plan Update 2014**

The National Planning Policy Framework (NPPF) requires Local Plans to 'apply a sequential, risk-based approach to the location of development to avoid, where possible, flood risk to people and property and manage any residual risk, taking account of the impacts of climate change, by applying the Sequential Test, and, if necessary, applying the Exception Test' (NPPF, paragraph 100).

This further update in June 2014 takes into account the inclusion of the urban fringe as a broad source of housing potential with an identified potential of

1,060 homes informed by the Urban Fringe Assessment Study 2014 and an increased windfall allowance. The urban fringe allowance is in addition to the identification of Toads Hole Valley as a Development Area in the Submission City Plan Part 1 (DA7 Toads Hole Valley). The 2012 update applied the sequential test to Development Area 8 - Toads Hole Valley. Whilst the urban fringe is identified as a broad source of potential for housing through the proposed changes to the City Plan Part 1, no specific sites are allocated through the proposed modifications to the City Plan Part 1. The Sequential Test cannot therefore be applied to this identified allowance. The document has been updated to reflect the proposed changes to the Plan and the current stage of the Examination.

### **9. Addendum to Annexe 2 to the City Plan Part 1 - Infrastructure Delivery Plan, June 2014**

The addendum report has been produced in response to the increase in the housing target proposed in the Main Modifications to policy CP1 in part One of the City Plan. The document comprises an assessment of impacts and changes affecting infrastructure and identifies key requirements to support the potential delivery of future development in areas identified in the Urban Fringe Assessment. The update is based upon information available at the time it was prepared and more detailed assessment will be undertaken at regular intervals.

The provision for certain physical and community infrastructure to support future needs arising from an increased housing target has been identified across the following areas and is further detailed in the addendum:

#### **Water, Wastewater treatment and sewerage connectivity**

No major issues were identified. As the sites are mostly at the end of the supply and drainage network some locally significant improvements particularly in regard to connectivity to sewage networks in the west of the city would be needed. More locally other improvements may be required and impacts would be modelled once there is more certainty on proposals. This requirement is already addressed by proposed main modifications to policy CP7.

#### **Education**

There are ongoing needs for additional school places particularly in the west and centre of the city. This will be addressed by seeking opportunities for new schools as part of major development schemes in priority areas of the city. Overall planning obligations will be secured from new residential development to contribute funding towards expanding both primary and secondary education provision to mitigate impacts. There remains an existing need for an additional secondary school to meet the needs of a growing population.

#### **Transport**

The findings of the Transport Assessment Update, also undertaken in response to the main modifications, indicate that there will no requirements for

additional major infrastructure to mitigate impacts resulting from the increased housing target. However, there will be the need for general mitigation arising from development proposals on a site by site basis, for example, improved bus services upgraded bus stops. Cycling improvements could also be considered more specifically to links and upgrade to the network. Some requirements may be secured through developer contributions.

### **Health provision**

There are localised capacity issues in both the west and east of the city. Consideration will be given to providing health facilities within new major developments.

## **10. Combined Policy Viability Study, September 2014**

This study provides an update on the Combined Policy Viability Study (CPVS) produced by BNP Paribas Real Estate in September 2013 on behalf of the City Council. This study tests the ability of a range of development types throughout the 'City Council's area to viably meet the modified emerging planning policy requirements of the Brighton & Hove City Plan Part One, alongside the adopted policies identified as not being superseded in the Brighton & Hove Local Plan (July 2005), Supplementary Planning Guidance / Documents and other pertinent local guidance as well as national policies. The study tests the cumulative impact of the City Council's requirements, in line with the requirements of the National Planning Policy Framework ('NPPF') and the Local Housing Delivery Group guidance '*Viability Testing Local Plans: Advice for planning practitioners*' (June 2012).

Key findings

### **The key findings of the study are as follows:**

- The results of this study are reflective of current market conditions, which have been updated since the previous study published in September 2013. This update study has identified that the property market in Brighton and Hove has for the most part, particularly prime office space and residential, improved over the last 12 months and the outlook is identified as being likely to further improve over the medium term.
- Some development typologies tested were unviable in certain circumstances due to market factors, rather than the impact of the City Council's proposed policy requirements and standards. These schemes are identified in the appraisals as being unviable at 0% affordable housing and base build costs and are generally flatted developments located in market areas 5, 6 and 7. These schemes will not come forward until changes in market conditions i.e. an improvement in sales values by comparison to build costs. In this regard their current unviable status should not be taken as an indication that the City Council's requirements cannot be accommodated.

- In most cases schemes can accommodate the City Council's affordable housing requirement (Policy CP 20: Affordable Housing) at a level between 10% to 40% (without grant) and between 20%-40% in the higher value areas.
- When the cumulative effect of affordable housing and Section 106 is tested on developments, some schemes are able to accommodate less affordable housing in certain scenarios. It is noted however, that the Council's flexible approach to seeking only the essential Section 106 contributions towards infrastructure, particularly in the current economic climate (shown by the recessionary measures Section 106 appraisals) assists with both development viability and ensuring the provision of the most vital infrastructure.
- The study highlights that a flexible approach to costs affecting commercial developments, particularly where there is a large requirement for the provision of such space outside the prime City Centre location is essential, as at current costs and values such developments are identified as being largely unviable. However, we note that policy requirements relating to commercial floorspace are applied flexibly across the City, as recognised by the Council's flexible approach to the application of sustainability requirements (BREEAM) in policy CP8: Sustainable Buildings, which although sets target for attaining higher levels of sustainability is subject to viability and feasibility.
- Notwithstanding this, it should be noted that the results of this viability exercise, which identify certain commercial development as not viable, do not mean that sites will not be developed within the City for these uses. Viability is only one of many factors which affect whether a site is developed, for example, with regard to owner occupiers who may wish to locate in Brighton & Hove. Alternatively, an existing occupier looking to re-locate may wish to develop their own premises by reference to their own cost benefit analysis, which will bear little relationship to the residual land value calculations that a speculative landlord developer may undertake.
- The City Council's modified sustainability requirements for residential developments set out in Policy CP8 reduces the Code for Sustainable Homes (CSH) target from level 5 to 4 increasing to level 5 after 2016. The City Council's flexible approach to sustainability requirements, including the consideration of allowable solutions is identified by the results of this study as being important to deliver viable development. This is particularly the case in the lower value areas of the City and on higher density schemes where the build costs incurred are higher.
- The results of our appraisals suggest that achieving zero carbon by adopting allowable solutions in accordance with government requirements will be achievable on many sites in the City. This is still likely to be ambitious in the lower value areas (Areas 5-7) and on higher density schemes that will be helped by a reduction in costs in comparison to today's estimates and/or a growth in sales values by comparison to base

build costs. We note that costs associated with delivering sustainable development have been demonstrated to have reduced over the last few years and following future research into the technology to deliver higher levels of sustainability are expected to reduce further. This position is clearly demonstrated by the 2013 update work undertaken on such costs by Element Energy and David Langdon and previous studies undertaken on behalf of the CLG<sup>1</sup>.

- This update study has identified that viability has generally improved in the City over the last 12 months. Notwithstanding this position, the results of this study demonstrate that the City Council's flexible approach to applying its sustainability, affordable housing and Section 106 contributions requirements, will ensure an appropriate balance between delivering affordable housing, sustainability objectives, necessary infrastructure and the need for landowners and developers to achieve competitive returns, as required by the NPPF.

### **11. Housing Implementation Strategy – Annexe 3 to the City Plan Part 1, September 2014**

The updated Housing Implementation Strategy indicates that through the proposed modifications the City Plan Part One will make sufficient provision to meet the planned housing target of 13,200 additional homes in the plan period to 2030. Housing delivery from small sites will also continue to make a significant and ongoing contribution to supply throughout the plan period. Further windfall housing delivery is also anticipated through the temporary change of permitted development rights to allow changes of use from office to residential.

The Housing Implementation Strategy sets out the options for managing housing land delivery over the plan period. The expected rate of housing delivery over the Plan period is illustrated through an updated 'housing trajectory' and the Housing Implementation Strategy sets out the council's preferred approach to identifying a 5 year supply of housing sites.

The updated housing delivery trajectory reflects the following key factors:

- The effects of economic recession which have particularly impacted upon housing delivery rates in the early years of the plan period and are continuing to constrain the recovery of the housing market within the city; although there are signs of an improvement. This has resulted in a significant 'shortfall' against planned housing requirements.
- The particular impact the recession has had on the ability to bring forward some of the larger, more complex development sites within the city; many of which are large scale flatted types of development; some of which are mixed use development schemes; that require significant investment and longer lead in and build out times.

- The loss of a number of identified general housing sites to student housing proposals for which there is a strong current demand; and
- A revised assessment of annual outputs on identified housing sites, again reflecting impacts of economic recession and flatted formats of development in the city.

In summary, the following key points are relevant:

- The planned housing target of 13,200 (implied average of 660 units per annum) for the plan period represents a significant boost in housing supply in accordance with the general thrust of policy in the NPPF.
- This planned boost to housing supply is particularly evident when compared to historic development trends in the city, e.g. the average rate of housing delivery over the last 20 years has been 590 units; in the last 15 years 540 dwellings per annum and in the last five years 350 dwellings per annum.
- The City Plan also seeks to boost housing supply in the first five years post adoption; the supply requirement implies an average of 650 units per annum compared to an average of just 350 units delivered over the last 5 years.
- Given the impacts of economic recession and particularly the impacts on housing delivery in the early years of the plan period, achieving the planned delivery of housing over the full plan period will be challenging. However, the council is actively addressing this through a series of positive actions and measures to ensure housing delivery is achieved in accordance with the anticipated housing trajectory.

## **12. Urban Fringe Assessment Study, Land Use Consultants, June 2014**

Land Use Consultants were appointed by the council to undertake an assessment of the city's urban fringe sites to identify the potential contribution from the urban fringe towards the city's housing requirements.

66 urban fringe sites/parcels of land have been assessed, by means of site visits and a detailed desk-based analysis of constraints. These sites are listed and mapped at the end of Appendix 4. The assessment examines the potential positive and negative effects of residential development and estimates indicative numbers of dwellings that each site could reasonably accommodate.

The 2014 Urban Fringe Assessment is a detailed investigation, for each site, of whether and to what extent identified constraints (e.g. open space, ecology, landscape, environment and archaeology) could be satisfactorily mitigated as part of any potential residential development. This specifically was to address the City Plan Inspector's concerns with the council's previous urban fringe assessment.

The assessment therefore focuses on a detailed consideration of the potential impacts of residential development (either positive or negative or a combination) on a pre and post mitigation basis with reference to identified constraints.

The study:

- identifies 39 individual sites/land parcels are identified as having some potential; covering 31 hectares which equates to approximately 7.5% of the total urban fringe area.
- estimates that 1,180 homes could potentially be accommodated on these sites.
- generally only identifies small parts of sites (the least sensitive areas) for housing.
- identifies certain '**clusters**' of sites which should be taken forward through a '**masterplan**' approach to development to avoid piecemeal approach.
- recommends that improvements, in terms of new public open space and new community facilities could be secured alongside new development.
- recommends that four sites should be considered for a Local Green Space status (the same protective status as Green Belt).
- excludes 5 sites from the detailed analysis because the majority of the site was affected by an 'absolute constraint'. Absolute constraints included national designations such as Scheduled Ancient Monuments, Sites of Special Scientific Interest and also included cemeteries and graveyards and reservoirs.

The South Downs National Park Authority and the County Archaeologist were consulted on the Urban Fringe Assessment along with a steering group of council officers representing parks and property services.

## Urban Fringe Assessment – Map index - Site References and Description

Site Reference No.	Site Description
1	Land at Oakdene, Southwick Hill
2	West of Mile Oak Road, Portslade
3	Oakdene, Upper Paddocks, South Wick Hill
4	Land at Mile Oak Road, Portslade
4a	Land at Mile Oak Road, Portslade
4b	Land at Mile Oak Road, Portslade
4c	Land at Mile Oak Road, Portslade (north of A27)
5	Land at Mile Oak Hill, Portslade
5a	Land at Mile Oak Hill, Portslade
6	Land at Mile Oak allotments, Portslade
7	Foredown Allotments, Thornbush Crescent Portslade
no site 8	
9	Land at Hangleton Bottom, Portslade
10	Benfield Hill, Benfield Valley
11	Benfield Valley, north of Hangleton Lane.
12	Benfield Valley, south of Hangleton Lane
14	Three Cornered Copse, bounded by Dyke Road Ave, King VI Ave.
15	A27/A23 Interchange (including land east of Patcham Court Farm)
16	Land at and adjoining Horsdean Recreation Ground, Patcham
17	Land at Ladies Mile, Carden Avenue
17a	Mackie Avenue
18	Land south of Hollingbury Golf Course and east of Ditchling Road (including land north or reservoir, Roedale allotments and Hollingbury Park)
19	Lower Roedale Allotments and Playing Fields, Lynchett Close.
20	Hertford School Grounds, Lynchett Close.
21	Land to North East of Coldean Lane.
21a	Land North of Varley Halls, Coldean Lane.
21b	Varley Halls, Coldean Lane
21c	Land South of Varley Halls
26	Brighton University Playing Fields
27	City and Jewish Cemeteries
28	Brighton Cemeteries, Tenantry Down Allotments and adjoining land










Site Reference No.	Site Description
29	Jewish Cemetery and land adjoining
30	Land at and adjoining Brighton Race Course
31	Land east of Whitehawk Road
31a	Whitehawk Hill Road/Manor Hill Road
31b	Land west of Whitehawk Hill Road
32	Land at South Downs Riding School
32a	Reservoir Site
33	Land North of Warren Road (Ingleside Stables)
33a	Land East of Warren Road
33b	Land South of Warren Road
34	Sheepcote Valley, Wilson Avenue.
35	East Brighton Park and Sports Ground
36	Land south of Warren Road, adjacent to Nuffield Hospital (included mixed open spaces and Lawns Memorial burial grounds)
37	Roedean Miniature Golf Course and land south of A259
38	Land at Ovingdean Hall Farm (land north of Bulstrode Farm)
38a	Land at Ovingdean Hall Farm
39	Land at Bulstrode Farm / Ovingdean Farm (includes former chicken sheds)
40	Land east of Greenways
41	Land at Wanderdown Road Open Space
42	Land adjacent to Ovingdean and Falmer Road, Ovingdean
43	Land to rear of Longhill Road
44	Allotments to west of The Green
45	Land to Rear of Bazehill Road
46	Land west of Saltdean Vale, Saltdean
46a	Land at Former Nursery site west of Saltdean Vale, Saltdean
47	Land and buildings at Pickershill, Saltdean Vale
48	Land at Coombe Farm Westfield Avenue
48a	Land north of Westfield Rise
48b	Land at Westfield Avenue North
48c	Land at Saltdean Boarding Kennels
49	Covered Reservoir – Longridge Avenue
50	Land West of Falmer Avenue
51	Rottingdean Recreation Ground
52	Rosebery Avenue, Woodingdean
53	Queensdown School
54	Land at Braypool Lane

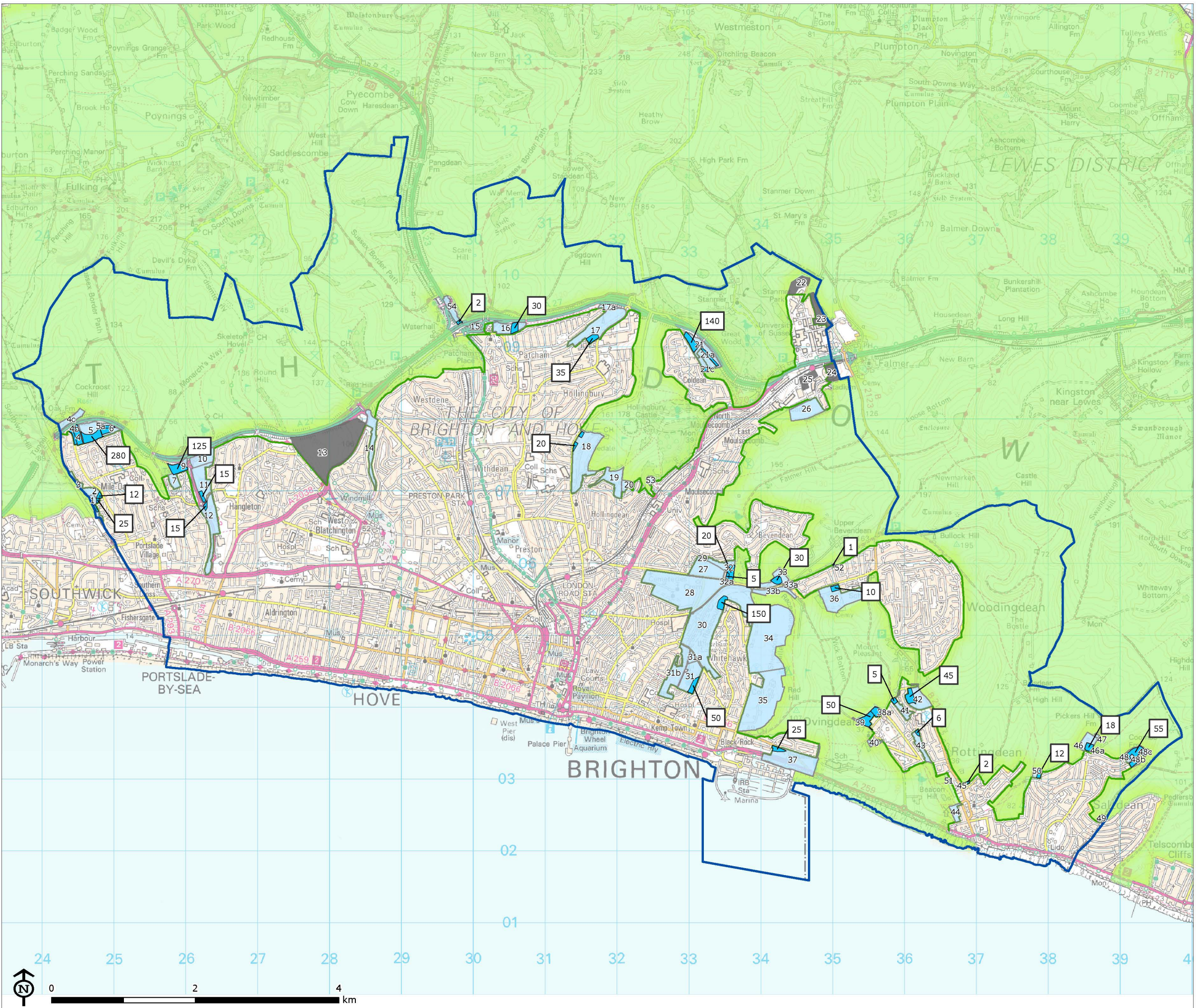




# Brighton and Hove Urban Fringe Assessment

## Urban Fringe Site Assessment (2014)

-  Number of units
-  UA boundary
-  Urban fringe with potential
-  Urban fringe sites
-  Previous urban fringe sites
-  Built-up area boundary
-  National park boundary



Map Scale @ A3:1:52,000



93





<b>Subject:</b>	<b>Improving Housing Supply - Off Plan Procurement – Residential Acquisitions</b>		
<b>Date of Meeting:</b>	<b>16 October 2014</b>		
<b>Report of:</b>	<b>Executive Director, Environment, Development &amp; Housing</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Martin Reid</b>	<b>Tel:</b> 29-3321
	<b>Email:</b>	<a href="mailto:martin.reid@brighton-hove.gov.uk">martin.reid@brighton-hove.gov.uk</a>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 This report outlines our strong track record of improving housing supply in the City, maximising investment in new affordable homes and making best use of our statutory powers and resources in support of our City Plan, Housing Strategy and Corporate priorities of Tackling Inequality & Creating a More Sustainable City.
- 1.2 The report sets out the challenges we currently face in identifying sites in the City to meet housing need and around the viability of delivering new affordable housing on residential schemes where a developer contribution to secure new affordable homes on site applies. This is with particular detriment to the delivery of Affordable Rent and larger family homes and aligned to changes to public subsidy arrangements and Registered Provider risk in relation to funding new affordable housing. The report also outlines increased investment in private rented housing contributing to a decline in owner occupation, driving a growing market for shared ownership homes, and risking those seeking to buy their own home being unable to take advantage of housing for sale on new developments.
- 1.3 In order to mitigate an on-going adverse impact on delivery of new affordable homes in the City, and in light of alternative funding routes available to the Local Authority, this report seeks approval for delegation of authority to the relevant Executive Directors to explore and negotiate options to enable the Council to intervene in the market to deliver new housing to meet our identified needs. This includes potential procurement of housing 'off plan' on new developments in addition to affordable housing deemed to be viable for the developer to deliver on site through the Planning process. Detailed proposals on any specific capital schemes relating to acquisition of residential accommodation on major development sites in the City will form separate reports back to Housing Committee and Policy & Resources Committee.

**2. RECOMMENDATIONS:**

- 2.1 That the Executive Director Environment, Development & Housing, in consultation with Executive Director of Finance & Resources, pursue negotiations with potential funding and development partners in order to work up

- fundable off plan residential acquisitions propositions and that these be brought back to Policy & Resources Committee for consideration;
- 2.2 That officers continue discussion with Department of Communities & Local Government in making recommendations to HM Treasury for the Autumn Statement arising from discussions on housing supply & homelessness work;
  - 2.3 That officers consider funding options including General Fund prudential borrowing, Housing Revenue Account capital financing and 'off public sector balance sheet' institutional and private investment financing along with appropriate delivery, management and governance frameworks, subject to further reporting back to Housing Committee and Policy & Resources Committee.

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

#### **City housing market**

- 3.1 Brighton & Hove is a growing city with high housing prices, low incomes, an ageing population and a significant proportion of households with support needs. There are over 19,000 households on our joint housing register, 1,800 households in temporary accommodation and rising homelessness. Social Housing makes up only a small proportion of the overall housing in the City with 9.8% of homes owned by the local authority and 5.1 % by housing associations.
- 3.2 This report outlines that, while the Council has a strong track record of improving housing supply and enabling delivery of new affordable homes, we are currently facing significant challenges around the viability of affordable housing on schemes where a developer contribution toward affordable homes applies. This has a particularly negative impact on the delivery of Affordable Rent and larger family homes.
- 3.3 One of the key emerging themes arising from the City-wide Housing Strategy consultation is the acute shortage affordable homes and in particular family housing, in the City. This is often set against concerns around the significant growth of houses in multiple occupation (HMO) in the expanding private rented sector, in particular where these arise from conversion of smaller family homes.
- 3.4 Private renting has increased by 45.7% (an extra 10,691 homes), and now stands at 34,081 homes or 28% of all housing stock. This growth is in contrast to the declining owner occupied sector, now making up 54% (65,835) of housing stock in the City (Census 2011). The private rented sector includes a very high level of converted family homes or shared houses, with a significant proliferation of smaller HMOs along the Lewes Road corridor being identified in our Student Housing Strategy. Of the 3019 HMOs licenced across the City, the council has received 2001 license applications for smaller HMOs in the 5 Lewes Road wards since commencement of our additional licensing designation following concerns over the management and standards of these dwellings.
- 3.5 The continued growth in the private rented sector in the City presents the risk that a reduced affordable housing offer on larger residential sites is compounded by the remaining residential accommodation meeting the demand of buy to let or other landlord investors rather than those seeking to buy their own home. In particular, in areas already identified as having a proliferation of multi-occupied

homes which offer investors a higher rental yield. This in turn may increase pressure on the Housing Register or result in families seeking accommodation outside the City.

### **Development viability & delivery of new affordable homes**

- 3.6 In order to improve housing supply, the City Plan identifies sites for housing development and mixed use sites where an element of housing will be required. While the City Plan inspector recognised the significant constraint to providing land for housing development in the City she considered the shortfall between the City Plan housing target (11,300) and our objectively assessed need (20,000) to be significant and indicated that the Council must rigorously assess all opportunities to meet housing need.
- 3.7 In order to ensure evidence underpinning the Plan is up to date and robust an updated study on housing requirements has been undertaken. As a result the new figures for Brighton & Hove indicate that the housing requirement has increased from 16,000 - 20,000 to 18,000 - 24,000 additional homes by 2030. This increase is due to higher levels of migration and household formation than previously forecast. The implication is that the gap between the target and objectively assessed need has increased. As a result, the Inspector will be looking for even greater assurance that no stone has been left unturned in the search for additional homes.
- 3.8 In particular, there is a significant need for affordable housing identified. However, primarily due to viability issues and uncertainties regarding future funding for affordable housing, the proportion of affordable housing being delivered within new housing sites appears to be decreasing.
- 3.9 In light of the National Planning Policy Framework priorities, and the end of public subsidy in support of developer contributions for new affordable housing, our ability to secure a 40% element of affordable housing on residential development of over 10 homes supported by the City Plan is frequently challenged. Increasingly, developers are successfully demonstrating viability of affordable housing on schemes at levels lower than 40%. Should developer viability concerns over the deliverability of affordable housing on schemes continue to be upheld through the Planning process there will be an ongoing adverse impact on delivery of new affordable homes in the City.
- 3.10 Where affordable housing is delivered, there are also concerns over the level of shared ownership homes against the supply of new Affordable Rent housing. Registered Provider (RP) partners advise that less public subsidy for new affordable homes and their greater exposure to income risk is likely to result in a more cautious approach to future development, in particular of affordable rented homes, and the profile of clients to whom they let new affordable housing. While our Affordable Housing Brief seeks to ensure a tenure split for affordable housing of 45% intermediate housing (including shared ownership) and 55% Affordable Rent or Social Rent, this split is not enforceable via the Planning process. Viability concerns also impact on delivery of our preferred mix of: 30% 1 bed; 45% 2 beds; 25% 3 bed plus homes.

- 3.11 Housing Committee (18 June 2014) were advised that of the 627 new affordable homes included in the 2011-15 Affordable Housing Investment Programme, 324 (52%) were for shared ownership and 303 (48%) for rent. The proportion of shared ownership homes increasing from 12 (21%) in 2011/12 to 222 (62%) in 2014/15.
- 3.12 Under the new 2015-18 Affordable Homes Programme (AHP), the expectation remains that developer contributions toward new affordable homes will be delivered at nil grant input for both Affordable Rent and shared ownership. Remaining HCA funding is increasingly aligned to addressing delivery of smaller homes. Four RPs have bid for funding for 75 homes across four separate 'firm sites' in the City. These schemes are projected to deliver 14 (19%) homes for Affordable Rent and 61 (81%) homes for shared home ownership. Three of these 'firm sites' were already identified as opportunities in the existing 2011-15 programme.
- 3.13 While many RPs are increasingly utilising their own borrowing to fund significant numbers of new affordable homes outside of the constraints of the HCA programme, this potential for additional homes being brought forward in the City outside of the AHP currently consist of a mixture of market sale, market rent (under Build to Rent) and shared ownership.

### **Council response – enabling delivery of new homes**

- 3.14 The Council continue to work closely with the HCA, our RP and other partners to identify opportunities for delivery of Affordable Homes. Working with the Strategic Housing Partnership, we have hosted a number of high profile events to bring together stakeholders from all sides of the affordable housing delivery process to discuss issues and blockages, share good practise and develop innovative ways forward to combat the difficulties being experienced meeting our shared objectives of providing new homes, including:
- Housing Summit (29/06/12), involving Adult Social Care, Children's Services & Public Health;
  - Housing Seminar (26/04/13) with RP Chief Executives;
  - Housing Conference (17/06/14) aligned to our Housing Strategy review, including key-note speakers from the HCA, National Landlords Association & Brighton Housing Trust.
- 3.15 This has included a review of opportunities for the Council to intervene in the housing market to stimulate the delivery new homes to meet our identified housing needs, including:
- Creation of Brighton & Hove Seaside Community Homes;
  - Best use of our own portfolio of land and housing, in particular through on-going review of HRA assets;
  - Opportunities arising from HRA self-financing capacity to generate revenue surpluses to finance capital investment;
  - Use of Right to Buy and other receipts to provide subsidy for affordable homes;
  - General Fund borrowing;
  - The local authority as a potential purchaser/lessee of new accommodation, exploring ways in which we can secure additional housing being brought forward on sites in the City.



- 3.16 As well as addressing high levels of need, Council enabling investment in new homes can make a major contribution to the quality of life and public health of lower income households and neighbourhoods. Appropriately targeted, new housing provision may also reduce costs in other Council budgets notably Adult Social Care (ASC) and local public health service provision. The Localism Act places a stronger onus on local authorities to stimulate economic well-being and the significance of the Council's Housing budget and Housing enabling role reaches beyond statutory service provision. The development of new housing also has a strong economic multiplier impact on the local economy (estimated at £3.51 of economic output for every £1 of public investment) creating jobs and supply chain business opportunities.
- 3.17 The 2011-15 Affordable Housing Programme already includes Council HRA investment in 15 new Council homes for rent at Balchin Court and both HRA and General Fund capital toward the forthcoming 45 home Council extra care scheme at Brooke Mead. Provision of extra care housing being aligned to our Corporate and budget commitment to providing more appropriate cost effective housing options for adults and older people as an alternative to more expensive residential care accommodation. The Housing Revenue Account Capital investment programme 2014-17, includes investment of £16.5 million for delivering 93 new homes (including Brooke Mead).
- 3.18 Under the guidance of the New Homes for Neighbourhoods Project Board our estate regeneration programme has been established and is progressing design and delivery options for new council homes on a range of sites across the City. Overall there are currently around 175 potential homes in the New Homes for Neighbourhoods development pipeline. The homes are at different stages of development from initial feasibility/viability studies having been completed to schemes that are currently in planning.
- 3.19 Options for the Council to intervene in the market and increase the supply of new housing also includes the potential for developers with large Planning applications entering into arrangements with the local authority to offer residential units for sale and/ or lease at discounted rates on the basis of potential lease-back arrangements whereby the Council may borrow to purchase homes on the new schemes. This is on the basis that the Council have nomination rights for households to whom we have a housing duty, using the rents received over the lease term to fund the discounted purchase of homes on the development.
- 3.20 This discounted sale option has previously been explored on the most recent Anston House Planning application. We have also submitted a letter reserving our option to buy off-plan on the forthcoming Preston Barracks scheme.
- 3.21 Council borrowing money and then paying developers to supply new homes is an opportunity being explored by a number of other local authorities who have demonstrated that replacing the private funder with Public Works Loan Board (PWLb) and European Investment Bank (EIB) funding could, through LA intervention in the market, result in a significantly stronger return to the Council, a shorter repayment period and greater flexibility over use of any new homes. Other local authorities have also explored the use of institutional finance and underwriting private finance deals for the same purpose.

- 3.22 In addition to the opportunity to address a shortfall between supply and demand of quality public and private accommodation available for rent in the local authority area, such local authority led investment contributes to meeting affordable housing planning obligations. This in turn, provides the opportunity for the Council to make a positive impact for wider objectives, such as reducing unemployment and improving health and wellbeing. Also, provision of newer homes for rent provides the opportunity to:  
Create decant space for major housing regeneration schemes on HRA land;  
Continue to support reduction in cost pressures in ASC by block purchasing clusters of Life-time accommodation that could help to reduce care costs.
- 3.23 We are currently in discussion with Department of Communities & Local Government (DCLG) around how best to meet affordable housing need within Local Housing Allowance rent levels. Our review has focused primarily on financial models including best use of local authority land and borrowing capacity (HRA & GF) and procurement off-plan of private sector housing developments to meet affordable housing planning obligations, options which may minimise central government capital grant subsidy and 'incentivise' LAs to provide the land or public subsidy to increase the pace and supply of affordable house building providing homes at Affordable / LHA rents. Initial discussion has also focused on the scope to extend private sector housing leasing on the basis we are aiming to avoid more costly and unsatisfactory B&B accommodation.
- 3.24 In addition to taking forward negotiations with potential funding and development partners in order to work up fundable off plan residential acquisitions propositions, approval is also sought from Committee to continue this liaison with DCLG in support of them making recommendations to HM Treasury for the Autumn Statement arising from our discussions on housing supply & homelessness work. DCLG would potentially be looking to work with us on delivering schemes arising from this joint work.
- 3.25 Further work is required over the coming period to ensure that the council's legal and financial position is safeguarded and this will be undertaken in parallel with schemes which are emerging in planning and development over coming months.

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

- 4.1 Options for improving housing supply are outlined in the report and will be kept under review as part of current scoping, development and review of the revised City-wide Housing Strategy and Housing Investment Plan and in support of City Plan priorities.

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

- 5.1 General consultation on our approach to stimulating new house building, making best use of our HRA assets and estate regeneration through the New Homes for Neighbourhoods programme has been undertaken with councillors, council tenants and leaseholders through reports and presentations to Housing Committee. The cross party New Homes for Neighbourhoods Project Board oversees delivery of our estate regeneration activities.

- 5.2 Consultation with residents and ward councillors on specific schemes to be developed by the Council or its partners will be undertaken via the Planning process.

## 6. CONCLUSION

- 6.1 Approval is sought for the above recommendations in order to:  
Support achievement of City Plan and Housing Strategy priorities, in particular delivery of new affordable homes;  
Enable meaningful pre-application discussion and negotiation with developers on forthcoming planning applications, in particular where the developer may incur costs working up detailed proposals;  
Support discussion with DCLG to take forward any further discussion on freedoms and flexibilities.
- 6.2 Approval is not being sought for Policy and Resources Committee to enter into any financial risk at this stage. We would return to Committee with proposals for any specific schemes which must be aligned to the Council's legal framework and financial capacity. We propose to provide interim progress reports to Housing Committee & the New Homes for Neighbourhood Project Board.

## 7. FINANCIAL & OTHER IMPLICATIONS:

### Financial Implications:

- 7.1 There are no immediate financial implications arising from the recommendations in this report. The report recommends that officers consider different funding options for increasing housing supply. These options will be fully appraised and financial implications for specific schemes will be reported back to this Committee.

*Finance Officer Consulted: Susie Allen*

*Date: 24/09/14*

### Legal Implications:

- 7.2 There are no immediate legal implications arising from the recommendations in this report. There are a number of options to be fully considered and different sites may have different solutions. As and when specific project proposals emerge from the further work proposed the specific legal issues arising will be addressed.

*Lawyer Consulted: Name Bob Bruce*

*Date: 24/09/14*

### Equalities Implications:

- 7.3 Increasing housing supply supports Tackling Inequality, priority one of the Corporate Plan. It will help meet the identified needs of households unable to access housing other than by approaching the Council for assistance. It will also help the Council discharge statutory duties to accommodate vulnerable households to whom it owes a housing duty. New affordable housing is built to Lifetime Homes standard with 10% fully wheelchair adapted in order to support households with a disability to live independently at home for as long as possible.

Sustainability Implications:

Newly built homes will be built to Affordable Housing Brief standards in terms of size, Code for Sustainable Homes, amenity space, Lifetime Homes Standard. Development to the BREEAM standard level 'Good' ensures that new homes are designed sustainably to minimise carbon emissions and use sustainable materials in their construction. New homes will support One Planet Living principles.

Any Other Significant Implications:

- 7.4 Implications are outlined in the Body of this report.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. None.

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

1. None.

### **Background Documents**

1. Housing Committee report, Stimulating New House Building in Brighton & Hove. 25 September 2013.
2. Housing Committee report, Improving Housing Supply - Homes & Communities Agency Funding Update, 30 April 2014.
3. Housing Committee report, Improving Housing Supply – HCA Affordable Housing Programme 15-18 update, 18 June 2014.
4. HCA – Affordable Homes Programme 2015-18, Prospectus. January 2014.

Crime & Disorder Implications:

- 1.1 Good architectural and urban design can contribute to safer homes and neighbourhoods. The proposed developments will include Secure by Design principles and in relation to extra care schemes, IT enabled technology supporting older people particularly those experiencing dementia.

Risk and Opportunity Management Implications:

- 1.2 Risk and opportunity management implications are outlined in the report and will be kept under review as more detailed on specific schemes are brought forward.

Public Health Implications:

- 1.3 The Joint Strategic Needs Assessment 2012 (JSNA) identifies the relationship between poor housing and poor health outcomes and the Director of Public Health Annual Report has identified good quality housing as important for building wellbeing and resilience and housing in the City as an area representing a particular vulnerability. Improving Housing supply in the City has an overall beneficial impact upon Public Health outcomes in the City.

Corporate / Citywide Implications:

- 1.4 This report aligns to the following Corporate Plan priorities: Tackling inequality - Improving Housing & Affordability; Decent, affordable, healthy housing; reduce health inequalities and long standing public health issues; Vulnerable adults supported to live healthy independent lives; Creating a more sustainable city: A healthier and higher quality built environment; City Performance Plan (CPP) / Corporate Plan (CP) Measures- CPP 5.4.Number of affordable homes delivered per year.

<b>Subject:</b>	<b>Food Poverty</b>		
<b>Date of Meeting:</b>	<b>16 October 2014</b>		
<b>Report of:</b>	<b>Assistant Chief Executive and Director of Public Health</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Nicky Cambridge</b>	<b>Tel: 29-6805</b>
	<b>Email:</b>	<a href="mailto:nicky.cambridge@brighton-hove.gov.uk">nicky.cambridge@brighton-hove.gov.uk</a>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 This report responds to the Notice of Motion regarding food banks submitted to Council on 8 May 2014; then referred to 11<sup>th</sup> July P&R. Following discussions at this meeting Members requested a full officer report on the issues, incidence and response to food poverty in the city.
- 1.2 The Corporate Plan (2012/15) sets out 3 externally facing key priorities, one of which is 'tackling inequality' for a fairer city.
- 1.3 The increase in the use and number of food banks in the city can be attributed to a number of difficult national and local economic factors such as debt, low wages, insecure jobs, rising household expenses and changes in public spending on benefits. These circumstances combined can create significant underlying financial problems with food bank use one of the symptoms.
- 1.4 Brighton & Hove was one of the first places in the country to adopt a systemic Food Strategy and action plan and the latest version of this – 'Spade to Spoon: Digging Deeper (2012)' provides an overarching framework and vision where 'everyone in the city has the opportunity to eat fresh, healthy food from sustainable sources'. Work on the strategy is co-ordinated by the Brighton & Hove Food Partnership.
- 1.5 The City Council adopted a new Financial Inclusion Strategy in March 2013 which has led to the commissioning of a community banking partnership – known locally as Moneyworks Brighton and Hove. This commission responds to the underlying issues for people experiencing food crisis through the provision of advice, banking, credit, savings, and educational opportunities.
- 1.6 The Food Partnership is a named Moneyworks partner supporting signposting and advice for people at first point of contact and the inclusion of food poverty in the strategy is innovative nationally.
- 1.7 The council is also delivering a Fuel Poverty programme which makes the relevant links to food issues; recognising the 'Eat or Heat' experience of many.

## 2. RECOMMENDATIONS:

- 2.1 That the Committee supports the council's approach to food poverty which focuses on addressing the underlying causes of food poverty through the financial inclusion strategy and the work of the Brighton and Hove Food Partnership.
- 2.2 That the Committee notes the various forms of research underway that will help us understand more about the causes and impacts of food poverty in the city.

## 3. CONTEXT/ BACKGROUND INFORMATION

### 3.1 What is food poverty and why is it an issue?

Sustain, a national food alliance organisation, states that food poverty can be defined as 'the inability to obtain healthy, affordable food'.

People on low incomes continue to struggle to afford a healthy balanced diet with the poorest households in the UK spending the largest percentage (upwards of 30%) of their income on food. Recurring poor access to an adequate diet is detrimental to health. Diets that lack fresh food and vegetables and are high in salt and fat contribute to diet related diseases including coronary heart conditions, diabetes, strokes, obesity and some cancers.

Evidence demonstrates the contribution of food and nutrition to mental wellbeing and the development, prevention and management of some specific mental health problems and the impact of poor nutrition on children and education attainment are widely acknowledged. Nationally it has been identified that those most likely to experience food poverty are: people on low incomes or unemployed; households with dependent children; older people; people with disabilities; and members of BME communities.

Food poverty is therefore often a 'symptom' of an underlying poverty problem described and tackled in the council's Financial Inclusion Strategy. Financial difficulty can include over indebtedness (as a result of pay day lending, bank charges or loan sharking), low wages and/or uncertain unemployment. It is also the case that food poverty itself can create financial exclusion, for example missed meals leading to ill health and therefore job insecurity.

The Brighton and Hove Advice Partnership recently undertook some research that indicated that delays in benefit payments and sanctions were having a significant short term financial impact for some people and emerging research from the Trussell Trust and others indicate that this can lead to a need for 'emergency food'. People on low incomes often have no savings leaving them without a safety buffer – if an unexpected expense comes along (such as a broken boiler) then it is the food bill that is flexible and has to give.

### 3.2 Food banks in the city

There has been a significant growth in food banks nationally and this is reflected locally. There are currently 12 food banks in the city plus one in Shoreham, which



is accessed by some Brighton & Hove residents. Collectively they give out food parcels to approximately 270 households per week.

This compares to approximately 6 food banks in July 2013 giving out roughly 220 food parcels, and around 2 food banks in July 2012.

Furthermore, at least 2 new food banks plan to open soon. These will include the first Trussell Trust affiliated food bank in the city, in Whitehawk (although Shoreham food bank, just outside the border, is also Trussell Trust) plus a food bank aimed at communities in Hangleton and West Blatchington.

Most food banks in the city are run through local community, voluntary and/or faith organisations and are positive examples of communities volunteering in response to a local problem in collaboration with third and statutory sector partners.

The council are also running banks supporting vulnerable families with children under 5 through its Children's Centres at Moulsecomb, Whitehawk and Tarnar with one in development at Hollingdean Children's Centre.

Appendix One illustrates all of this provision on an emergency food map created by the Food Partnership. It is also available at the following link: <https://mapsengine.google.com/map/viewer?hl=en&authuser=0&mid=zcWOGWUX124I.kCv4YZ7vjlyE>

All food banks are accessed through a referral process which means there can sometimes be a wait for more regular food parcels; although most will try to accommodate emergency need. In support, the Food Partnership has provided a very helpful infographic showing the referral process. A copy is attached for information at Appendix Two. This also sets out how to find an immediate low cost or free meal and how to be linked into longer term food poverty solutions such as growing clubs and lunch clubs.

It is worth noting that different food banks operate slightly different referrals process and criteria; for example some banks are based in neighbourhoods and operate a postcode referral system and some are for families of under 5's only.

### 3.3 Access to good quality advice and information

Financial inclusion is defined as the ability of an individual, household, or group to access appropriate financial services or products; have enough resources for basic costs and be able to cope with unexpected bills and emergencies. Without this ability people are often referred to as 'financially excluded'. The Council's financial inclusion programme has responded to this by bringing together all of the money and debt work in the city through a new Community Banking Partnership, now launched as Moneyworks Brighton and Hove. This has recently attracted additional investment from the DWP and includes the Food Partnership is a key partner.

Through this service residents have access to a single money advice line (**01273 809288**) which will signpost to emergency support (including food) and also work

with the client to address the underlying financial difficulties Furthermore there will be educational provision focussed on budgeting and fuel/food awareness. The line has only just opened but already advisors are reporting food issues as a top priority.

The Food Partnership will train all of Moneyworks team in food poverty issues and will sit as a core partner on the steering group. The Council and Food Partnership have also worked more broadly with the city's Advice Partnership (and diverse advice sector) to ensure that there is a strong link between food bank use and signposting to advice provision, including exploring the possibility of basing advice workers at food banks themselves.

Further information on Moneyworks Brighton and Hove can be found at <http://www.advicebrighton-hove.org.uk/moneyworks/>

### 3.4 Holistic Approach

Emergency food meets immediate hunger and provides a tool for engagement and outreach. Advice responds to some of the potential causes of food poverty such as benefit delays, sanctions and spiralling debt, but community development and education deal with the early intervention and long term responses required to make systemic and lasting change.

### 3.5 Food Poverty Work in Brighton and Hove

There are currently 3 strands to the city council's involvement with food banks and wider food poverty issues:

- Partnership Working
- Organisational Response/Direct Delivery
- Commissioning and Grants

#### 3.5.1 *Partnership Working*

The council works in partnership with agencies across the city to address food poverty.

The Brighton and Hove Food Partnership (a not for profit membership organisation) plays a leading and strategic role in the city. Their aim is to create and support a healthy, sustainable, fair food system. Their work includes work with individuals in neighbourhoods across the city, support for community food projects and influencing policy.

The council is an active member of the Food Partnership and supports the work through its discretionary grant programme and various commissions across Public Health, Children's Services and Sports Development.

As part of this the Partnership undertakes work on food poverty; this includes:

Helping to set up a Food Banks and Emergency Food Network, with the aim of:

- Mapping food bank and emergency food provision in the city; (see Appendix Two).
- Supporting and developing the referrals process for food banks; (see Appendix Three).
- Developing the link between emergency food provision and the need for advice to deal with underlying causes.
- Sharing information and good practice including increasing demand and how to address this.
- Providing evidence and briefings on food poverty (and related food matters).

Providing food poverty awareness training (some of the Council's frontline Housing Teams recently attended this, with the Public Health team attending next week).

Supporting community groups who deliver food growing groups, lunch clubs and cooking classes.

Delivering 'harvest' – a food growing project which has recently attracted £500k Big Lottery funding over 3 years to support vulnerable groups to engage in community food growing for health and wellbeing.

Delivering community weight management programmes for adults and families. These programmes, which are free to participants, combine nutrition and behaviour change advice with exercise for gradual weight loss and a healthier lifestyle, including healthy cooking on a budget.

Delivery of 'Eat Well on a Budget workshops' for target groups.

Provision of annual small grants – the 'Good Food Grants'; which awards small grants for community projects aiming to improve the health, skills and confidence of local residents through healthy eating, increased cookery skills, food growing and preventing food waste. The scheme is now celebrating its 8<sup>th</sup> year and has supported 216 projects around the city but is now facing uncertain funding.

### 3.5.2 *Organisational Response/Direct Delivery*

In addition, to its partnership work the council provides a number of services directly:

The council's Housing Inclusion Team refers people to the food banks but also deliver food parcels directly to council tenants and leaseholders who are housebound. They have commissioned the Food Partnership to deliver food poverty awareness training to frontline staff so that early signs of food poverty are spotted and dealt with.

Children's Services runs several food banks from its children's centres and will provide food parcels for families with children under 5 through a referral from a Health Visitor or Children's Centre worker. A package of advice is provided through links to the Family Information Service. The centres offering this service are:

- Tarners Children's Centre
- Roundabout Children's Centre (Whitehawk)
- Moulsecoomb Children's Centre

- Hollingdean Children's Centre also has a food bank in development and due to open in the next 3-6 months.

The City Services team has recently introduced food collection points at key customer service centres such as Bart's House and these donations are collected by FareShare.

The Local Discretionary Social Fund (LDSF) is available to people on means-tested benefits or tax credits where they are facing an unforeseen emergency which can include food shortage, for which supermarket food vouchers are provided and this is seen as important lifeline in emergency food provision. The LDSF Scheme Manager is a member of the Emergency Food Network to ensure joint working.

The free school meals service and recent introduction of universal free meals for infants is an important element of tackling food poverty and related nutritional problems. Anecdotal evidence locally suggests that children eligible for free schools meals often return to school malnourished. Recently a local faith organisation established 'Chomp' – a project offering children free meals during the holidays and this has reported very high levels of take up. In addition the council's School Meals Team are coordinating a free school meals take up campaign; ensuring those that in need are benefitting and thereby pass porting pupil premium income to schools.

The sheltered housing service is hoping to develop a range of lunch clubs and cooking projects with its tenants.

The council's Family Information Service provide a wide range of advice and support in relation to money and debt issues and will also signpost and refer families to food banks, particularly those at children's centres which are ring fenced to those with children under 5.

Adult Social Care commission the Royal Voluntary Service to provide Community Meals for approximately 200 housebound people in the city. Commissioners are currently working with the provider to review this service and consider how people's needs might best be met in the future.

### 3.5.3 *Commissioning and Grants*

Across the council the three year discretionary grants programme and various commissions address food poverty issues. These include:

A £22,156 investment in 'FareShare', which is the city's key food collection and distribution project. The funding is comprised of a Three Year Grant of £12,000pa (until March 2016) from the Communities and Equality Team and a Service Level Agreement of £10,156pa from Public Health (also until March 2016). As the main food distribution charity in the city FareShare supports and provides food to most of the food banks in the city as well as numerous lunch clubs, homelessness projects and cooking projects.

Our new Moneyworks financial inclusion commission will offer first stop advice and signposting regarding food poverty issues and the Food Partnership are a partner in the wider programme.

In addition, the city's third sector advice agencies (BHT, CAB, MACS, etc) also provide first stop signposting and advice to food banks and are working with Food Banks to embed advice into emergency food provision to tackle underlying problems facing families. The Council funds these agencies across numerous grants and commissions.

The Public Health Team provide and administer a Healthy Neighbourhood Fund and this is most frequently used by neighbourhood based groups to fund food initiatives including lunch clubs and after school cookery projects.

Finally various third sector organisations funded through the three year and annual grants programme provide food banks and/or other community food offers such as lunch clubs. Although our funding is not directly for this provision, its investment in core costs enables organisations such as the Brighton Women's Centre and Unemployed Families Project to deliver these services as part of their package.

### 3.6 Other Work

'Its Local Actually' is an online directory provided by the Federation of Disabled People. The directory allows a user to do a postcode related search to find activities and support within their neighbourhood. It includes a wide range of information about lunch clubs, which are particularly important for vulnerable groups such as older people. Their 'Connect' project also provides help to enable people to get to local activities

The council's Sustainability Team are currently exploring the possibility of further resource / projects together with colleagues from Housing, Public Health and the Food Partnership to support food poverty work alongside other third sector partners in the city.

In common with the rest of the country, local supermarkets offer food collection points which are used by FareShare. TESCO will now top up food donations by 30% and there are regular food donations and deliveries to the FareShare premises in Moulsecoomb.

### 3.7 Understanding Need and Demand

It is important to recognise that food poverty is a cross cutting policy issue – both in terms of cause and response. It has implications for health, education, housing, regeneration and equalities. This was recognised in the JSNA chapter focussing on 'good nutrition and food poverty'; <http://www.bhconnected.org.uk/sites/bhconnected/files/jsna/jsna-6.4.6-Good-nutrition-&-food-poverty1.pdf> but there no is no clear single definition and a lack of accurate data nationally and locally.

However, there are a range of ways in which we are obtaining better information and data about food poverty in the city:

- The council's Public Health team have commissioned research on welfare reform impacts which is now underway.
- A new question is being piloted in the council's annual City Tracker survey, as follows and the full survey and results will be available by the end of the year.
  - § Question: Thinking about the next year, how much do you agree or disagree that you will have enough money, after housing costs, to meet basic living costs? By this I mean to pay for food, water and heating?
  - § Answer: Strongly agree, Tend to agree, Neither agree nor disagree, Tend to disagree, Strongly disagree
- Similarly the Health Counts survey asks questions about access to food and the details of this are included in the JSNA chapter described above.

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

In developing the financial inclusion strategy (which includes a focus on food poverty) the council explored a number of alternative options in its report to P&R in March 2013:

- 4.1 Option One: Do nothing. This would leave residents vulnerable to financial exclusion, such as falling into debt, increased risk of homelessness and health problems associated with food poverty. In addition, there are corporate risks around the failure to collect Council tenant's rents and with Council Tax payments across the City.
- 4.2 Option Two: Provide temporary resources to 'plug gaps'. This may help in short term and offer some residents useful support but is not sustainable. Additional funding for Financial Inclusion will be difficult to obtain in future years, so it is necessary to promote and develop a sustainable model which the Strategy articulates.
- 4.3 Option Three: Supporting financial inclusion as set out in the strategy and implementation plans is the preferred option because it tackles the root causes of financial difficulty and food poverty.

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

- 5.1 The City Food Strategy, Financial Inclusion Strategy and related needs assessments were produced in consultation with a range of stakeholders in the city. The current welfare reform impact research will consult with residents affected by poverty issues directly as will the City Tracker, Health Counts and Local Intelligence Surveys.

## 6. CONCLUSION

- 6.1 This report describes how the city's council approach to food poverty focusses on the underlying causes driving the need for food bank use. The financial inclusion strategy and related Moneyworks commission means that we are providing vulnerable people with money advice, banking, access to affordable credit and financial education at the same time as using our grants and commissioning programmes to underpin food projects including food banks for those facing crisis.
- 6.2 The city's Food Partnership is at the forefront of leading the city's wider food poverty work recognising that food poverty is a long term and systemic issue that is much more than just food banks. Their work includes projects that tackle cooking, growing, and securing access to affordable healthy food in the long term.
- 6.3 Through the council's tripartite approach of working in partnership, directly delivering services and commissioning others we are focussed on a holistic and sustainable approach.

## 7. Financial and other implications

### Financial Implications:

- 7.1 The resources to support this approach are funded through the Financial Inclusion project, community and public health budgets. Future resource needs will need to be reflected in the 2015/16 budget.

*Finance Officer Consulted: Anne Silley*

*Date: 3/10/14*

### Legal Implications:

- 7.2 There are no legal implications arising from this report.

*Lawyer Consulted: Elizabeth Culbert*

*Date: 29/08/14*

### Public Health Implications:

- 7.3 Food poverty is a major issue for public health and much of the work described in this report is supported by public health funding. Those living at risk of financial exclusion and related food poverty issues are exposed to increased numbers and incidence of mental and physical ill health.

### Equalities Implications:

- 7.4 An equalities impact assessment has been completed with regard to the Financial Inclusion Strategy and this identified the key people and places in the city most affected by financial difficulties. There are specific and further considerations relating to housebound people with regard to food poverty which

are being addressed by Adult Social Care in their service planning moving forward.

Sustainability Implications:

- 7.5 There are strong links between improved city financial inclusion and sustainability. A focus of the city's One Planet Living sustainability action plan is reducing residents' utility bills and increasing community resilience in the face of sharply rising energy bills, food and transport costs. There is a focus on reducing costs to residents in ways that will also have environmental and health benefits, such as reducing carbon dioxide emissions and water use; encouraging more local growing and healthier, cheaper food choices. Unnecessary food waste costs the average UK family £5 per week and improved education and advice can reduce this, and hence the large volume of food waste generated by city residents. Reducing inequality is an integral part of the city's approach to One Planet Living.



## **Brighton & Hove Food Banks/Emergency food - a snapshot at July 2014**

This is a snapshot of food parcels given out by food banks in the city; using information supplied via a phone and email survey in July 2014.

### **How many Food Banks in the city?**

There are currently **12 food banks** in Brighton & Hove, plus one in Shoreham, which we have included in this snapshot as it is accessed by some Brighton & Hove residents. Collectively they give out food parcels to approximately **270 households per week**.

This compares to approximately 6 food banks in July 2013 giving out roughly 220 food parcels, and around 2 food banks in July 2012 (Note that these figures all depend on how you define a food bank, and that food parcels come in varying sizes with varying contents)

At least 2 new food banks plan to open soon. These will include the first Trussell Trust affiliated food bank in the city, in Whitehawk (although Shoreham food bank, just outside the border, is also Trussell Trust) plus a food bank aimed at communities in Hangleton and West Blatchington.

### **Who operates our food banks and who are they for?**

The organisations running the food banks are very different – faith based (4, plus a further 2 planned); children’s centre based (3); neighbourhood based, with support from the Trust for Developing Communities (3); or run by community of interest organisations (2 - Brighton Women’s Centre, and Brighton Voices in Exile).

The majority of the food banks require a referral to access them i.e. unlike the media stereotype, people can’t just show up, although two of the neighbourhood food banks are accessed on a drop-in basis and require a proof of postcode rather than a referral. The two community of interest food banks can also give out food on a drop-in basis.

Other than the neighbourhood and community of interest food banks, most of the food banks in the city are targeted generally at those in need, with the exception of one which has recently opened and is targeted at students.

Note that some other community organisations, e.g. Lunch Positive and Brighton Unemployed Centre Families Project, give out emergency food as a part of their activities and these are not included in the figures here.

### **How does the Food Partnership support food banks?**

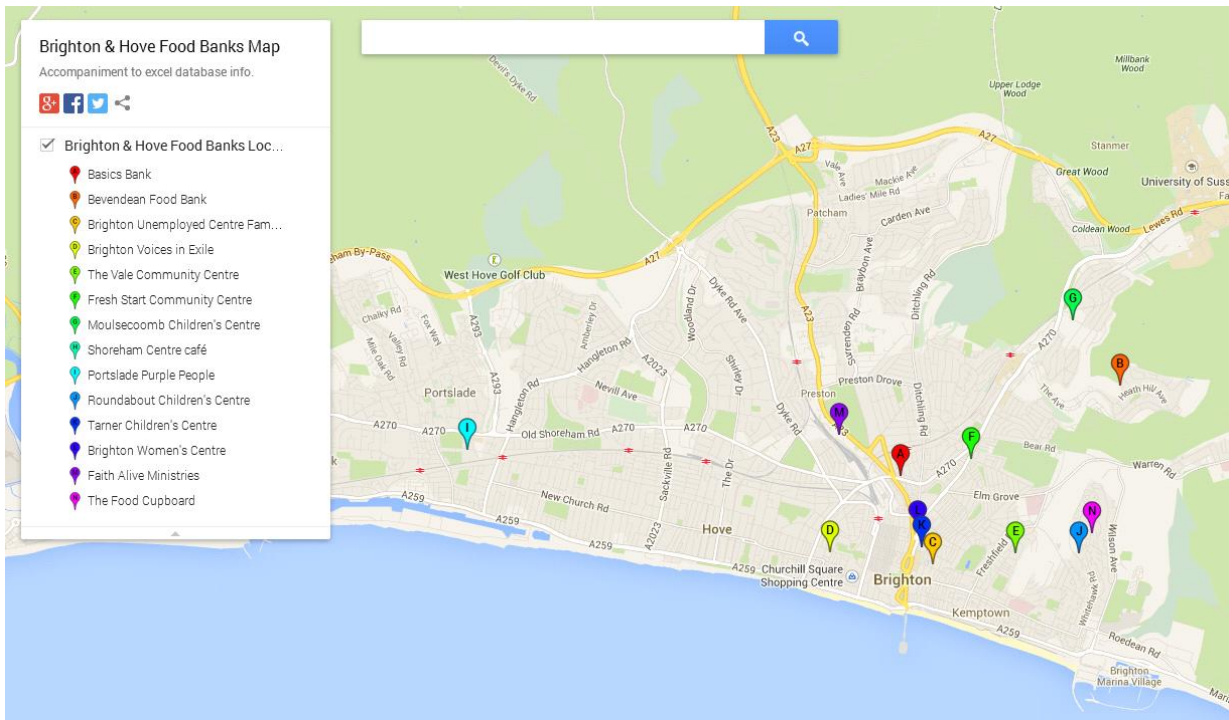
In 2013, the Food Partnership set up the Food Banks and Emergency Food Network so that emergency food providers could share learning, improve links with advice services and take a ‘bottom up’ approach to identifying food poverty issues, which the Food Partnership then bring to decision makers.

We have also developed guidance for local advisors, health professionals and volunteers on referring to emergency food, plus a series of food poverty web pages that bring together resources for both individuals and advisors.

Food poverty as a much wider issue than food banks, and tackling food poverty is a key strand in the city’s food strategy. See [www.bhfood.org.uk](http://www.bhfood.org.uk) for more about our work.



Food Banks & Emergency Food in the City (or see <http://bit.ly/1u1k04U>.)



## Case study: **A joined up approach to food poverty in Brighton & Hove**

### Why?

Brighton & Hove has seen an increase in food poverty, with the number of food banks increasing from 2 to at least 10.

### Food Banks and Emergency Food Network

In 2013, the Food Partnership set up this network so that emergency food providers could share learning, improve links with advice services and take a 'bottom up' approach to identifying food poverty issues, which the Food Partnership then bring to decision makers.

### Joining up resources

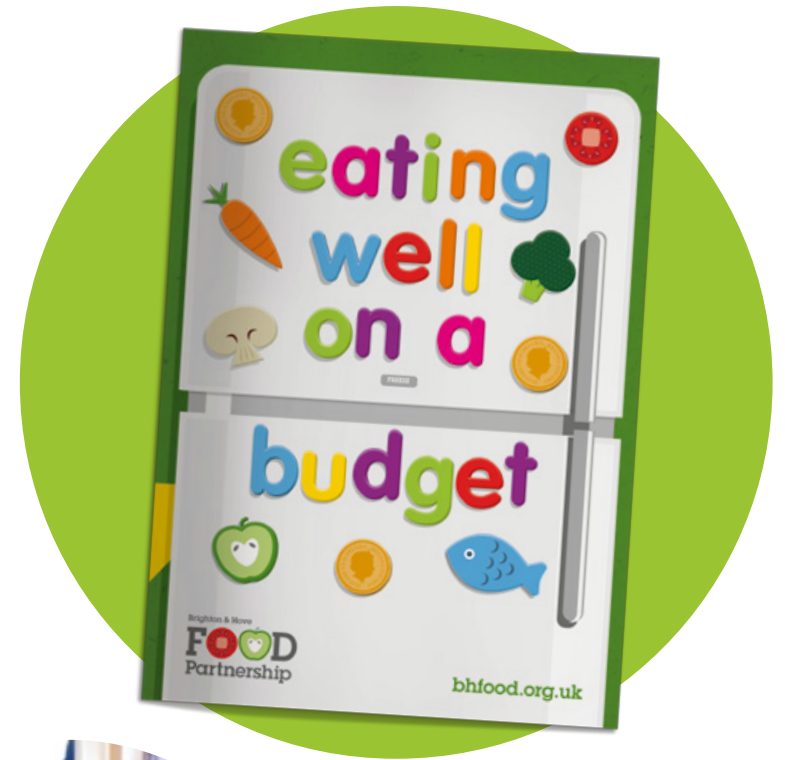
Food poverty awareness training sessions plus a regularly updated web page ensure that advisors, volunteers and health workers can signpost to both emergency food aid and support with underlying issues.

### Resources webpage:

[www.bhfood.org.uk/food-poverty-advice-for-advisors](http://www.bhfood.org.uk/food-poverty-advice-for-advisors)

### Other pieces in our city's jigsaw

- Projects such as community lunch clubs and school holiday summer clubs
- Anti-poverty initiatives including financial and digital inclusion; fuel poverty reduction; and campaigns for living and dignified benefit levels.
- Cookery lessons and advice on shopping and eating well on a budget
- Good quality community meals ('meals on wheels') as these reach those who can't access help elsewhere.
- The Brighton & Hove Living wage campaign.



Eating well on a budget leaflet



Bevendean community cafe and food bank

# How to refer people to emergency food in Brighton & Hove and what else to consider

## Are they...?

✗  
Not eligible for LDSF Support?

! Too hungry to think and in need of a meal?

✓  
Eligible for LDSF Support?

On means-tested benefits or tax credits, or a low income

Parents or carers of kids under 5 in:  
Moulsecomb  
Whitehawk  
and Tarnor

## Support for underlying issues

**Advice Services and money advice**  
www.advicebrighton-hove.org.uk

Support with debt, benefits, fuel bills and referrals to food banks

**BUCFP**  
Free lunch in an emergency and advice (Monday to Friday)

Or... Soup Run etc. evenings and weekends

**LDSF – Local discretionary social fund**

Help in an emergency: with food, goods and fuel bills

**Community and longer term options**

- Lunch clubs
- Growing projects
- Community cafes
- Community cookery classes

**Food Banks**

Emergency food (not for long term use) and signposting to advice (NB. A few are 'drop-in' but most need a referral)

Drop-In food banks

Referral food banks

Children's centre food banks

For more information and contact details see:  
[www.bhfood.org.uk/food-poverty-advice-for-advisors](http://www.bhfood.org.uk/food-poverty-advice-for-advisors)

Food bank plus a package of advice for families with children under 5



<b>Subject:</b>	<b>Review of Members' Allowances 2014</b>		
<b>Date of Meeting:</b>	<b>Policy &amp; Resources Committee - 16 October 2014</b> Council – 23 October 2014		
<b>Report of:</b>	<b>Monitoring Officer</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Mark Wall</b>	<b>Tel: 29-1006</b>
	<b>Email:</b>	<a href="mailto:mark.wall@brighotn-hove.gov.uk">mark.wall@brighotn-hove.gov.uk</a>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The current Members Allowances Scheme was approved in December 2013 and in accordance with the council's recommendations the Independent Remuneration Panel (IRP) has been undertaking a comprehensive review of the scheme. Its report accompanies this report and is attached as appendix A.
- 1.2 The Panel conducted an online survey of Members and met each of the Group Leaders, Chairs & Deputy Chairs of Committees, Opposition Spokespersons and other Members in July and has taken on board the comments received.
- 1.3 The Panel were mindful that there was a need for the Council to approve a scheme for 2015/16 and therefore recommended that the report be submitted to the Council in accordance with the Local Authorities (Members Allowances) (England) Regulations 2003/05 and that it should take effect from Annual Council in May 2015 subject to the qualifications outlined in the report.

**2. RECOMMENDATIONS:**

- 2.1 That the Panel's report as detailed in appendix A be received and endorsed and the recommendations therein be recommended to the Council for approval;
- 2.2 That the Council be recommended to adopt the new Members Allowances Scheme for the payment of allowances in 2015/16 with effect from the Annual Council Meeting in May 2015; subject to the implementation of the Basic Allowance from the 11<sup>th</sup> May 2015 as detailed in the IRP's report and the Scheme in appendix B;
- 2.3 That the Chief Executive be authorised to issue the Brighton & Hove Members' Allowances Scheme in accordance with the regulations following council approval;
- 2.4 That where there are any changes to any role listed as attracting a Special Responsibility Allowance under the scheme, and the revised role is substantially the same as the previous role in terms of the nature or level of responsibility; the Special Responsibility Allowance shall continue to apply to the new role. This is subject to the

Independent Remuneration Panel being consulted and agreeing that it is substantially the same role;

- 2.5 That the allowance payable to each of the members of the Independent Remuneration Panel be increased by 1% in line with the Public Sector pay award with effect from 21<sup>st</sup> May 2015, in recognition of the time commitment and the role of the Panel.

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

- 3.1 The Panel has sought to report back to the Policy & Resources Committee and Full Council in October 2014 with the intention that the Council would be able to approve a new scheme to be effective from the Annual Council Meeting in 2015. This would then apply for the duration of the new Council following the local elections in May. It would also provide for the scheme to be agreed by an outgoing council and enable any perspective councillors to be aware of the arrangements that would be in place should they be elected.
- 3.2 Notwithstanding the decision to undertake a full review of the allowances scheme, the Panel noted from the evidence given by Members that the role of a councillor had changed and the time commitment was an important factor. The Panel also noted that support to councillors in terms of child care and dependent care remained a concern and felt that this should be given due consideration as part of their forthcoming review.
- 3.3 The Panel were keen to be able to hear from other Members and to look at the impact of the committee system on their roles. The Panel also wanted to gain a greater understanding of the various roles that attributed a Special Responsibility Allowance as well as how the role of a councillor had changed and whether the basic and dependent care allowances were appropriate for that role.
- 3.4 The Panel felt that it was clear from the evidence received that there was a justification for an increase the Basic Allowance to reflect the increased level of time commitment and role of a councillor in Brighton and Hove. The Panel were also mindful of the fact that the Basic Allowance had remained at its current level for three years.

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

- 4.1 In order to revise its Members' Allowances Scheme, the Council is required to have regard to the recommendations of the Independent Remuneration Panel.
- 4.2 The Panel took the view that in line with the Local Authorities (Members' Allowances) (England) Regulations 2003/05 and the introduction of the committee system in May 2012, it would undertake a comprehensive review of the Members' Allowances Scheme and make recommendations to the Council on :
- (a) The level of Basic Allowance to be paid to all councillors;
  - (b) The responsibilities for which Special Responsibility Allowances (SRA's) should be payable (only one Special Responsibility Allowance is payable per councillor);
  - (c) The levels of SRA payable;
  - (d) The payment of Travel & Subsistence Allowances and appropriate mileage and subsistence rates payable to councillors undertaking approved council duties;

- (e) The payment of a Co-optee's Allowance;
  - (f) The payment of Childcare & Dependant Carer's Allowances, the level of such payments, any upper limits and capping that should apply.
- 4.3 The Panel took account of the latest regional and national earnings information in relation to any increase in allowances and made comparisons with the council's own salary inflation rate, public sector pay awards and comparable authorities.
- 4.4 The Panel also took on board the views of the Leaders Group and best practice across other authorities in seeking to propose a scheme that could be approved for the incoming authority and be the basis for the life of that authority. Such a scheme to then be updated by an annual review. This would avoid some of the uncertainty and enable any candidates standing for elections for the first time, as well as continuing Councillors, clarity in terms of what to expect so far as allowances are concerned.

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

- 5.1 The Panel has met with the Group Leaders and other Members, including SRA post holders and other Members; before putting forward its recommendations to the Leaders Group for comment.

## **6. CONCLUSION**

- 6.1 The Panel have recommended a new Members Allowances Scheme to be effective from the 2015 municipal year, which includes an increase to the Basic Allowance; a revised level of SRA's and changes to the child /dependent care allowances.
- 6.2 The Panel believe that there is a justification for equity in recommending the new scheme, and mindful that it should form the basis of a scheme to run for the duration of the new authority from 2015 - 2019.
- 6.3 The Basic Allowance is paid in recognition of the decision to become a councillor and to help support a councillor to fulfil their role. Having heard from Members of the changes to their roles, the Panel were of the opinion that an increase in the Basic Allowance was justified as this would be attributed across all newly appointed councillors.

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

### Financial Implications:

- 7.1 The proposed changes to the Members' Allowances Scheme, as outlined in the report and the accompanying IRP report, would save approximately £37k per annum (£31k part-year effect in 2015/16) when compared to the existing scheme. This supports a proposed saving from the service from 2015/16.

*Finance Officer Consulted: Peter Francis*

*Date: 23/09/2014*

Legal Implications:

- 7.2 The proposals in this report comply with the requirements of the Local Authorities (Members' Allowances) (England) Regulations 2005 and associated guidance.
- 7.3 There are no adverse Human Rights Act implications arising from this report.

*Lawyer Consulted: Abraham Ghebre-Ghiorghis Date: 16/09/14*

Equalities Implications:

- 7.4 The proposed increase to the basic allowance provides an equal benefit to all councillors.
- 7.5 The recommendations explicitly seek to encourage a wider cross-section of the community to become councillors, and reduce the financial disincentives, which deter a broader spectrum of people from serving as councillors.

Sustainability Implications:

- 7.6 There are no sustainability implications arising directly from the report.

Any Other Significant Implications:

- 7.7 There are no other significant implications associated with the report.



## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. (A) Report of the Independent Remuneration Panel
2. (B) Proposed Members Allowances Scheme for 2015/16.

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

1. None

### **Background Documents**

1. Independent Remuneration Panel's Annual Report 2012 and 2013
2. Members' Allowances Scheme 2013/14



**Members' Allowances  
Scheme 2015-2019  
For  
Brighton & Hove City Council**

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**A Report by the  
Independent Remuneration Panel**

**Mr Ken Childerhouse (Chair)  
Mr Martin Andrews  
Mr John Bateman  
Ms Rachel Potter**

**23 September 2014**

*Brighton & Hove City Council Independent Members' Remuneration Panel  
June - September 2014*

## **Chair's Foreword**

The role of the Panel, under the Local Authorities (Members' Allowances) (England) Regulations 2003, is to make recommendations to the City Council as to the responsibilities or duties in respect of which allowances should be available and the amount of those allowances. In doing so we are able to look at various elements of the Members' Allowances Scheme (the Scheme).

Our review in 2014 has concentrated on putting forward a scheme of allowances that will inform and encourage prospective candidates to stand for election in 2015 so as to enable them to understand the financial support available should they be elected. We would therefore ask councillors to be mindful of the intention to develop and create a scheme of allowances to come into effect from May 2015 for what will be a new Council with a four-year term. We have also sought to account for the changing make-up of the city council, its change in decision-making processes, and its continual adaptability to roles of councillors, and to recommend a scheme of allowances that reflect a modern and open local authority.

To assist our deliberations we have received written evidence and information from councillors, attended various committee meetings as observers and considered comparative data from other authorities in the South-East and across the country. Panel members sought to gain a clear understanding of the current scheme of allowances and the concerns of Members in relation to these as well as seeking to consider how to put forward a scheme that met the objectives laid down by the Leaders i.e. to have a scheme fit for purpose that could be retained for a 4-year period and be set prior to the May elections to enable prospective candidates to understand the financial impact of becoming a councillor in 2015.

The recommendations we have outlined in our report can be considered to be somewhat radical compared to previous reviews but we have undertaken this full review in the greatest of detail and our discussions and deliberations have not been taken lightly.

The Panel feel that these changes clearly reflect the remit given to the Panel to put forward an open and transparent Scheme of Allowances, which provide prospective candidates with a clear indication of the available resources and potential impact of being elected may or will have on their individual circumstances. We have been mindful of the intention that the Scheme was to be set and approved for the incoming Council in May 2015, and with that in mind are hopeful that councillors will also give such consideration to the proposals outlined in the report.

The Panel would like to thank those Members who completed the on-line survey and those that appeared before the Panel and note their commitment and candour.

Finally, on a personal note I would also like to take this opportunity to thank my fellow members of the Panel and the officers involved for their valuable contributions to its work.

**Ken Childerhouse**

Chair

23 September 2014

# Executive Summary

## **A. Introduction: The Regulatory Context and Background to the Report**

- A.1 The Panel was convened under The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021). These regulations, which arise out of the relevant provisions in the Local Government Act 2000, require all local authorities to set up and maintain an advisory Independent Remuneration Allowances Panel to review and provide advice on Members' allowances. All councils are required to convene their Allowances Panel and seek its advice before they make any changes or amendments to their allowances scheme and they must 'pay regard' to the Panel's recommendations before setting a new or amended Members' Allowances Scheme.

## **B. Implementation of Panel recommendations**

- B.1 The Panel recommends that the new allowances scheme adopted by the Council arising from this allowances review be implemented from the date of the Annual Council Meeting in May 2015, subject to the provision of the payment of the Basic Allowance from the fourth day after the election. The principal changes to the scheme are listed below:
- B.2 That the basic allowance of £11,463 be increased to £11,762 pa;
- B.3 That the Leader's Special Responsibility Allowance (SRA) of £28,758 be increased to £31,200 to reflect the increased level of responsibility;
- B.4 That the remaining positions of additional responsibility be set/confirmed as percentage levels of the Leader's Special Responsibility Allowance (SRA); as listed in the report:
- B.5 That it be noted the Panel is recommending a maximum of 21 Special Responsibility Allowances from a total of 23 be paid under the Members' Allowances Scheme but that the exact number payable will only be identifiable once any double-ups and the outcome of the elections in May 2015 have been confirmed;
- B.6 That there be a maximum of one Deputy Leader's SRA and one Deputy Leader of the Opposition's SRA payable within the Scheme;
- B.7 That care costs for approved duties be paid to councillors rather than carers, that the hourly rate for cared-for children and dependent care rise to £7.65, per hour (the equivalent of the Living Wage); and that the upper age limit for cared-for children remain at "under 14".
- Note: The child-care provision of £7.65 is set for each child and the total allowance claimable is capped at £1,500 per Member per year.
- B.8 That it be noted the new Scheme of Allowances if adopted, provides for a potential saving of £38,047.

## **C. The Context for the Review and the Role of the Independent Remuneration Panel**

- C.1 Between June and September 2014 the Panel has undertaken a detailed review of the scheme of allowances. In order to be as consistent as possible with previous reviews, it has considered evidence from the Group Leaders and councillors. In addition, information has been obtained from a range of London Boroughs, Unitary Authorities, Counties and Metropolitan Authorities. The Panel has considered levels of payments at all other Unitary Authorities listed in the 2013/14 South East Employer's Survey of allowances and looked at those listed in the North East and North West Employers' Surveys.

### **Setting an appropriate level of Basic Allowance**

- C.2 The Panel believe that a clear view has emerged from the discussions with councillors and the survey which is that the level of the Basic Allowance needed to rise. Whilst in comparison with authorities across the South-East, the level of Basic Allowance is high, in direct comparison with comparable Unitary Authorities it is at an equal level. The Panel has built up that picture over the past few months and checked and rechecked that what we have learnt still stands. We are acutely aware that the basic allowance is an important part of the overall scheme and that this payment is the only allowance to which many of the councillors are entitled. We now have strong evidence on which to base our recommendations.

### **Special Responsibility Allowances**

- C.3 The Panel believe that the changes to the level and number of SRA's are required to reflect the complexity, size and democratic structure of the authority and have taken in to consideration the feedback from councillors and comparative information that was available. The Panel concluded that the current scheme of allowances was not reflective of the roles and responsibilities that existed under the committee system.

## **D. Public Service Principle**

- D.1 Whilst supporting this ethos, we believe that the council should provide a package of financial support which is reasonable, that it goes some way towards addressing the disincentives from serving in local politics, and that it does not disadvantage people from all walks of life who wish to enter the political arena in this way.

## **E. In summary**

- E.1 As outlined elsewhere in this report the Panel has carried out an extensive review of each of the allowances set down in the Scheme. We are of the opinion that there is likely to be a greater political dynamic to the Authority resulting from the forthcoming council elections and into the next Administration and the Panel believe that each of its recommendations provides a fair, open and transparent scheme of allowances for those elected and those involved in the democratic process.

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## 1 Introduction: The Regulatory Context and Background to the Report

1.1 The Panel was convened under *The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021)*. These regulations, which arise out of the relevant provisions in the *Local Government Act 2000*, require all local authorities to set up and maintain an advisory Independent Remuneration Allowances Panel to review and provide advice on Members' allowances. All councils are required to convene their Allowances Panel and seek its advice before they make any changes or amendments to their allowances scheme and they must 'pay regard' to the Panel's recommendations before setting a new or amended Members' Allowances Scheme.

1.2 The Panel was given general terms of reference to make recommendations to the City Council on the appropriate form and level of remuneration:

- For all councillors (i.e. the basic allowance);
- Special responsibility allowances;
- Childcare and dependant's carers' allowances for councillors;
- Travel and subsistence allowances;
- Allowances for co-optees;
- To recommend a scheme for the duration of the 4-year term of the council; subject to an annual and any other periodic reviews.

1.3 This is the first full review of workloads under the revised committee arrangements and we are aware that councillors are now experiencing a number of different challenges. Partnership working and engagement are becoming increasingly important and these factors are dramatically re-shaping the way all councillors work. We note that there are problems in balancing conflicting demands on time, workloads for backbench councillors are increasing. The Panel is aware that this has been another year of change and we recognise the following as being of particular significance –

- (a) The committee arrangements under a minority administration have brought with them a need for all councillors to take on new roles and we recognise that this has been a challenging process. It has had an impact on the Administration and Opposition Groups alike;
- (b) There are seven wards which are "split" politically and there continues to be duplication of some work because of the political differences and communication difficulties. Where there is joint working additional time is spent on liaising with councillors from other groups to negotiate an agreed approach to ward issues.
- (c) Planning Committee and Licensing Panels both continue to meet frequently and often involve lengthy deliberation. The workloads of both are substantial. A willingness to serve on Planning or to attend an ad hoc Licensing Panel continues also to be affected by the time commitment required. These are often considered to be onerous duties and the Panel recognises that they continue to require careful monitoring.

#### 1.4 The Panel had regard to:

- The roles which councillors were expected to fulfil and the differing roles and responsibilities of particular councillors;
- The current method of local administration (in Brighton & Hove this is the Committee System);
- Practice amongst other local authorities in the UK;
- The current statutory framework for the remuneration of councillors and the scope which the council has to establish and vary its own arrangements, and any commentary on that (from the Audit Commission, Local Government Association and other interested parties);
- The previous recommendations made and the decision taken by the City Council in respect of the last review.

## 2 The Panel

### 2.1 Brighton & Hove City Council appointed the following to its Independent Remuneration Panel, namely:

**Ken Childerhouse (Chair)** (retired university lecturer);

**Martin Andrews** (civil servant);

**John Bateman** (teaches Corporate Governance in the Department of Business and Management at the University of Sussex);

**Rachel Potter** (JP, Journalist and Editor specialising in local government and the public sector).

### 2.1 This is the Panel's first principal report following the recruitment of three new Panel Members in 2013; although a holding report was submitted to Council in December and its comments were reported to the Policy & Resources Committee and Full Council in May 2014 as part of the recommendations relating to the establishment of the Health & Wellbeing Board.

### 2.2 The Panel considered a number of issues highlighted through an on-line questionnaire to councillors, 1:1 meetings with councillors, meetings with the Leaders and attendance at committee meetings. The Panel also sought to take into account:

- The current allowances scheme and its reflection of previous council structures/make-up;
- Councillors' views on the scheme;
- Payment for Child-Care and Dependent Care;
- The Council's budgetary position and savings targets.

### **3 Principles for the Members' Allowances Scheme**

3.1 The Panel considers that a set of principles is a logical and clear way of expressing its views and this provides a sound framework for the Members' Allowances Scheme. We have therefore agreed the following set of principles and we consider that these should form the basis of any scheme adopted by the council:

#### ***The Council's Objectives:***

- Provide appropriate support for people from all walks of life, enabling those with a wide range of skills and from different backgrounds to serve as councillors without financial disadvantage.
- Recognise the changing roles of elected members in their community councillor roles as well as in meetings, to ensure that changes to the democratic process are reflected and supported where possible.
- Incorporate into any scheme a voluntary service element which reflects the nature of the role and recognises the concept of civic duty.
- Recognise the significance of co-opted members in the operation of the authority.
- Provide role profiles for each of the positions set down in the Members' Allowances Scheme to support the recruitment and retention of councillors, to reinforce the aims of the council and to assist in future Independent Remuneration Panel reviews.
- Provide a sustainable travel scheme which encourages the use of bicycles and public transport throughout the city.
- Expect receipts/tickets to be attached to all claims submitted by both councillors and co-opted members to entitle the applicant to reimbursement.
- Approve a scheme which is open and transparent, which is available for public scrutiny and which meets audit requirements.
- Demonstrate value for money.

#### ***Expectations:***

Councillors should:

- Recognise that there is a voluntary aspect to the role;
- Accept that where they are taking on significant additional responsibilities, these will require a full or near full-time commitment and that this may be detrimental to career activity;
- Consider maintaining a reasonable work/life balance when undertaking their council duties;
- Submit claims for travel or subsistence, child or dependent care within two months of attending an approved duty – any claims received outside that time limit to be paid at the discretion of the Monitoring Officer in exceptional circumstances only;
- Submit accurate claims in accordance with the Members' Allowances Scheme;

- Provide all appropriate documentation requested of them such as driving licence, birth certificate, insurance etc.

### ***Performance and Support:***

- Effective support to be available to every councillor to assist them in their various roles, this to include provision for child and dependent care where appropriate, administration and business support;
- The loan of council equipment to enable councillors to undertake their duties;
- Allowances should be withheld where a councillor is suspended or partially suspended from responsibilities or duties;
- The Members' Allowances Scheme and any payments made from it should be published and made generally available to the public as well as being placed on the council's website.

### ***The Independent Remuneration Panel***

- The Panel to undertake further reviews of any of the principles outlined above and to amend them as appropriate when drawing up the Scheme.

## **4 Methodology**

- 4.1 The Panel have met on the 14<sup>th</sup> April, 3<sup>rd</sup>, 17<sup>th</sup>, and 19<sup>th</sup> June, the 15<sup>th</sup> July and the 2<sup>nd</sup>, 9<sup>th</sup> (with Leaders and Chief Executive) and 23<sup>rd</sup> September and written submissions from councillors and officers were carefully considered before the Panel reached their conclusions.
- 4.2 The Panel has considered the following in order to arrive at our recommendations:
- √ detailed information and analysis gleaned directly from councillors' responses to our electronic survey;
  - √ first-hand qualitative information obtained from face-to-face discussions with councillors;
  - √ the latest information on allowances paid by other authorities on a local, regional and national basis;
  - √ attendance at various committee meetings;
  - √ guidance from approved national bodies (e.g. the Local Government Association), experts in Members' Allowances and good practice;
  - √ the formula approved and used since 2003 to set levels of remuneration and other statistical evidence;
  - √ the council's salary inflation rate for 2014/15.

## **5 Implementation of Panel recommendations**

- 5.1 The Panel recommends that the new allowances scheme adopted by the Council arising from this allowances review be implemented from the date of the Annual Council Meeting in May 2015, subject to the provision of the

payment of the Basic Allowance from the fourth day after the elections i.e. 11<sup>th</sup> May 2015 and receipt of a signed declaration of office.

**The following recommendations are put before the Full Council:**

5.2 That a basic allowance £11,762 pa be paid to all councillors with effect from 11 May 2015 (this being the fourth day after the local elections), (see paragraphs 6.7 – 6.15 of the report);

5.3 That the following positions of additional responsibility be set/confirmed as percentage levels of the Leader’s Special Responsibility Allowance (SRA); as listed below and detailed in paragraphs 6.16 – 6.36 of the report and appendix 1 to the report):

(a)	Leader of the Council	100%	£31,200
(b)	Deputy Leader of the Council	70%	£21,840
(c)	Chair of Planning Committee	38%	£11,856
(d)	Chair of Licensing Committee	38%	£11,856
(e)	Chair of Policy Committee (3 from 4)	35%	£10,920
	- <i>Children &amp; Young People</i>		
	- <i>Economic Development &amp; Culture</i>		
	- <i>Environment, Transport &amp; Sustainability</i>		
	- <i>Housing</i>		
(f)	Lead Member for Adult Care & Health	30%	£ 9,360
(g)	Deputy Chair (Finance) Policy & Resources	30%	£ 9,360
(h)	Chair of Audit & Standards Committee	20%	£ 6,240
(i)	Chair of Overview & Scrutiny Committee	20%	£ 6,240
(j)	Chair of Health & Wellbeing Overview & Scrutiny	20%	£ 6,240
(k)	Deputy Chair of Planning Committee	12.5%	£ 3,900
(l)	Deputy Chair of Licensing Committee	12.5%	£ 3,900
(m)	Deputy Chairs of Executive Committees (x 4)	7%	£ 2,184
	- <i>Children &amp; Young People</i>		
	- <i>Economic Development &amp; Culture</i>		
	- <i>Environment, Transport &amp; Sustainability</i>		
	- <i>Housing</i>		
(n)	Leader of the Opposition	35%	£10,920
(o)	Deputy Leader of the Opposition	20%	£ 6,240
(p)	Leader of a Minority Group (subject to holding a minimum of 10% of seats)	20%	£ 6,240

- 5.4 That it be noted the Panel is recommending a maximum of 21 Special Responsibility Allowances be paid under the Members' Allowances Scheme but that the exact number payable will only be identifiable once any double-ups and the outcome of the elections in May 2015 have been confirmed;
- 5.5 That with regard to 5.3 (b) above, there be a maximum of one Deputy Leader's SRA payable within the Scheme;
- 5.6 That with regard to 5.3 (e) above, Chair of a Policy Committee, there be a maximum of 3 out of 4 SRA's to be paid attributed to the posts within the scheme;
- 5.7 That with regard to 5.3 (n) above, there be a maximum of one Deputy Leader of the Opposition's SRA payable within the Scheme;
- 5.8 That with regard to 5.3 (p) above, there be a requirement to hold a minimum of 6 seats (10%) to qualify as a Leader of a Minority Group for the payment of the SRA;
- 5.9 That a Co-optees' Allowance of £1,010 be paid to each of the two Independent Co-optees of the Audit & Standards Committee; along with a payment of £200 per Standards Panel Hearing that they chair;
- 5.10 That the table set out in Appendix 2 which lists all the positions of special responsibility be noted but that individual post-holders be changed at the discretion of either the Leader of the Council or Full Council, as appropriate;
- 5.11 That an index be applied to the Basic Allowance equivalent to the council's salary inflation, taking into account the hourly rate of pay for male full-time employees in Brighton Hove and that this be implemented on the day of Annual Council for each of the municipal years subsequent to an election year, and subject to an annual review of the Independent Panel;
- 5.12 That an inflationary increase based on the council's salary inflationary rate be attributed to the Leaders' SRA and thereby all other SRA's within the scheme and that this be implemented on the day of Annual Council for each of the municipal years subsequent to an election year, and subject to an annual review of the Independent Panel;
- 5.13 That the Travel Allowance remains in line with Inland Revenue Advisory Rates and any amendments made to them and that the council adopts the Driving at Work policy in respect of councillors' motor mileage claims (see paragraphs 7.14 – 7.23 of the report);
- 5.14 That the Subsistence Allowance remains unaltered and no alcohol costs be reimbursed as laid down in the Members' Allowances Scheme (see paragraphs 7.24 – 7.27 of the report);

- 5.15 That care costs for approved duties be paid to councillors rather than carers, that the hourly rate for cared-for children and dependent care rise to £7.65 per hour, (the equivalent of the Living Wage); and that the upper age limit for cared-for children remain at “under 14” (see paragraphs 7.5 – 7.13 of the report);
- 5.16 That a clear and concise care package be drawn up by officers of what is claimable under the scheme (see paragraphs 7.6 – 7.8 of the report);
- 5.17 That levels of remuneration for non-committee co-optees should continue to be the same as those in the Members’ Allowances Scheme ;
- 5.18 That Motor mileage and subsistence shall only be claimable when attending approved duties outside the city boundaries;
- 5.19 That the Mayor’s and Deputy Mayor’s Allowances for 2015/16 should be increased in line with the council’s salary inflation rate applied to staff for 2014/15 and beyond (see paragraphs 11.1 – 11.3) ;
- 5.20 That all eligible councillors currently within the Local Government Pension Scheme be permitted to continue to remain within the scheme in respect of both the Basic and any Special Responsibility Allowances that may be paid (see paragraph 12.1 of the report); but in accordance with regulations no other councillors be able to join;
- 5.21 That the council stop payments to councillors who have been suspended or partially suspended from their duties where they have breached the Code of Conduct;
- 5.22 That in order to assist with future reviews, consideration be given to adopting job profiles for the role of a councillor and the various positions identified for a special responsibility allowance;
- 5.23 That the payment policy for SRAs around election time as detailed in appendix 6 to the report be noted and approved; and
- 5.24 That it be noted in making our recommendations there is a potential saving of £38,047 to the cost of the Members’ Allowances Scheme highlighted (see appendix 1 to the report). However, the cost of future child-care and/or dependent care will have a direct impact on the level of saving that could be achieved.

## **6 The Context for the Review and the Role of the Independent Remuneration Panel**

- 6.1 In reviewing its Members’ Allowances Scheme, the Council is required to obtain the advice of its Independent Remuneration Panel, and to have regard to the Panel’s recommendations.

- 6.2 This latest review has been conducted over a 4-month period, providing the opportunity to look extensively at each of the allowances and expenses within the Members' Allowances Scheme. This means that the Panel has been able to consider whether the significant transitional changes of adopting a committee system and the impact of a minority-led council with three clear political groups should be better reflected within the overall scheme of allowances. The Panel has strong evidence from within the council as well as external comparisons on which to base each of the recommendations in its latest Annual Report.
- 6.3 Throughout the review period the Panel has been mindful of major external issues and how they impact on any recommendations made. Although not strictly a requirement under its terms of reference, the Panel likes to ensure that it works within the prescribed budget when undertaking each review. However, this year it has balanced the financial constraints of the authority with the need to provide a reasonable level of allowance for all councillors – one which the Panel anticipates will enable them to carry out their duties without discrimination or favour.
- 6.4 The Panel remains firmly of the view that all the allowances and expenses and any methodology applied must be open, transparent and accountable. The Panel would like also to draw attention to the fact that there are no monetary payments made to councillors and co-opted members other than those stipulated in the Members' Allowances Scheme.

### **The 2014 Review**

- 6.5 Between June and September 2014 the Panel has undertaken a detailed review of the scheme of allowances. In order to be as consistent as possible with previous reviews, it has considered evidence from the Group Leaders and councillors. In addition, information has been obtained from a range of London Boroughs, Unitary Authorities, Counties and Metropolitan Authorities. The Panel has considered levels of payments at all other Unitary Authorities listed in the 2013/14 South East Employer's Survey of allowances and looked at those listed in the North East and North West Employers' Surveys.
- 6.6 The Panel circulated an electronic survey to all councillors in June and has gathered information from it. We are particularly grateful to councillors for responding to the survey providing us with important detail that helped in our individual meetings with councillors and the Group Leaders.

### **Setting an appropriate level of Basic Allowance**

- 6.7 The Panel remains of the view that time commitment must be a primary consideration in the development of an appropriate level of basic allowance. From the responses we have received to our latest survey and also from discussions subsequently held with councillors, it is clear that the number of hours worked by councillors in their community roles has increased. Whilst this is difficult to fully quantify, the Panel has taken an approximation of 29 hours per week. The Panel recognises that in some cases time commitment is even greater depending largely on the roles undertaken by individual



councillors and the constraints of their employment. What is apparent is that it is the way in which councillors are spending their time that has changed more than the amount of time involved.

- 6.8 The Panel believe that a clear view has emerged from the discussions with councillors and the results of the survey which is that the level of the Basic Allowance needed to rise. Whilst in comparison with authorities across the South-East, the level of Basic Allowance is high, in direct comparison with comparable Unitary Authorities it is at an equal level. The Panel has built up that picture over the past few months and checked and rechecked that what we have learnt still stands. We are acutely aware that the basic allowance is an important part of the overall scheme and that this payment is the only allowance to which many of the councillors are entitled. We now have strong evidence on which to base our recommendations.
- 6.9 Whilst being mindful of the current economic constraints, the Panel recommends that the Basic Allowance for 2015/16 should increase from £11,463 to £11,762. We feel that on balance this provides the best possible financial support at the current time, particularly for community councillors. We understand several councillors have given up well-paid jobs, taken career breaks or sought part-time paid employment in order to continue with their council duties over the past few years and we wish to go some way towards redressing the balance, whilst retaining the public service ethos.
- 6.10 In previous years we have emphasised the importance of retaining transparency in our methodology for recommending the level of the basic allowance and we wish to continue applying the formula identified by the Institute of Local Government Studies at the University of Birmingham (INLOGOV). This formula takes into account the number of hours worked the local hourly rate of pay and incorporates a percentage which recognises the public service ethic. This is expressed as follows:

*Number of hours/ days worked x rate for the job minus a public service element*

*For Brighton & Hove this equals:      29hrs x £13per hour – 40% x 52  
= £11,762pa*

- 6.11 As we wish to ensure that our proposals continue to be realistic in terms of national employment statistics, we have also checked that the level of basic allowance proposed will be in line with hourly rates of pay for male full-time employees in the Brighton & Hove unitary authority area and we are pleased to report that our recommendations remain consistent with this methodology – the new basic allowance falls between the median and mean salaries for these male employees.
- 6.12 We are strongly of the view that the INLOGOV formula should be retained and feel that this provides a clear and demonstrable methodology for calculating the basic allowance.

- 6.13 In addition, the Panel noted that many authorities are applying an index to their basic allowances for a maximum of four years and the Regulations permit this and recognise it as good practice.
- 6.14 We therefore recommend a basic allowance of £11,762pa. This should take effect from 11 May 2015, the fourth day after the election to office.
- 6.15 We further recommend that an index be applied to this allowance and that a salary inflationary increase be added on the day of Annual Council each year for up to a maximum of four years (as permitted by the Members' Allowances Regulations). This would also be subject to any changes in then formula used and any further Panel reviews being conducted should they be deemed necessary at any time beforehand. In any event, the Panel will continue to meet from time to time to ensure that the allowances remain at an appropriate level and that they mirror the democratic structure of the council.

### **Positions of additional responsibility - Special Responsibility Allowances**

- 6.16 The Panel recognises that in addition to the community councillor role, some councillors undertake extra duties and responsibilities for which it is appropriate to pay Special Responsibility Allowances (SRAs). We are aware the guidance governing the payment of these allowances recommends that not more than half the councillors in an authority should be in receipt of an SRA (27 in the case of Brighton & Hove). We are also mindful of the fact that the current and some previous Brighton & Hove schemes have exceeded that guidance. Following a difficult period in which it has been impossible to keep the number of qualifying posts to recommended levels, our latest proposals bring the scheme in line with best practice.
- 6.17 The Panel believe that the changes to the level and number of SRA's are required to reflect the complexity, size and democratic structure of the authority and have taken in to consideration the feedback from councillors and comparative information that was available. The Panel concluded that the current scheme of allowances was not reflective of the roles and responsibilities that existed under the committee system.
- 6.18 After careful consideration we recommend that a maximum of 23 SRA's be payable, a number that falls within the scope of the guidance but which we feel fully reflects and supports the modern governance arrangements which are in place at Brighton & Hove. At this time we do not see the need for any additional posts to be included within the Members' Allowances Scheme nor do we support any moves to take the payment of the allowances over budget.

### **Leader of the Council**

- 6.19 The Panel took account of the view that the role of the Leader of a leading Unitary Authority should be recognised, given the complexity, size and budget of the council and acknowledges that in this position the Leader of the Council is required to represent not only the authority but the city as a whole. Duties

are often conferred on the Leader by Central Government, responsibility has therefore increased. Having met with Councillor Jason Kitcat as part of this review we acknowledge that this is an important and strategic role requiring him to direct policy and set corporate priorities and felt that it was vital this key position in the council should be given an appropriate level of remuneration.

- 6.20 The Panel therefore recommends that the Leader of the Council should receive an SRA for the significant role and extra responsibilities of leading a large city council of £31,200pa.

### **Deputy Leader**

- 6.21 In looking across the scheme of allowances as a whole, the Panel concluded that the scheme of allowances was not reflective of the roles and responsibilities that existed under the committee system. To this end, the Panel believe that only one Deputy Leader post should be recognised within the scheme for the payment of an SRA. Taking account of the evidence received and in comparing with other authorities the Panel could not justify the remuneration of two Deputy Leaders' positions.
- 6.22 In line with the Leader who chairs the Policy & Resources Committee, the Panel also concluded that the Deputy Leader as a matter of good practice should Chair one of the Policy Committees.
- 6.23 The Panel therefore recommend an SRA of £21,840 for the Deputy Leader within the scheme, in recognition of their increased level of responsibility and the assumption that they would Chair a Policy Committee (Children & Young People, Economic Development & Culture, Environment, Transport & Sustainability or Housing).

### **Chairs of Policy Committees**

- 6.24 The Panel felt that the role of the Chairs of the Policy Committees had remained significant and that their level of responsibility went beyond the running of the committee itself. There had been clear evidence to show that they undertook several duties in their capacity as Chair and therefore it was recommended that the level of SRA should be set at 35% of the Leader's SRA. The percentage split was slightly less than before and meant a small decrease in the overall allowance to £10,920.
- 6.25 The Panel also noted that whilst the scheme would list the Chairs of the four Policy Committees, should their recommendations be accepted, then in having regard to paragraph 6.23 above, only 3 SRAs would be paid.

### **Chairs of Planning, Licensing and Audit & Standards Committees**

- 6.26 The regulatory committees of the council have undergone little if any change during the current review period, but it became clear from the survey and meetings with councillors that there was an impact on the role of the Chair and Deputy Chairs for both Planning and Licensing Committees – Licensing in terms of the significant number of Panels to serve on. In this regard the Panel

have recommended a slight increase in the level of SRA for each Chair taking it to £11,856.

- 6.27 However, having met with the current Chair of the Audit & Standards Committee and considered the role of the committee, the Panel have recommended a reduction in the level of SRA for the Chair of £6,240. It should also be noted that this more comparable to other authorities in the region.

### **Deputy Chair (Finance) of Policy & Resources Committee Lead Member for Adult Care & Health**

- 6.28 The Panel were also mindful of the roles of the Deputy Chair (Finance) of Policy & Resources Committee and the Lead Member for Adult Care & Health, which had a statutory responsibility and would take the lead for Adult Care & Health matters; as well as having a role in supporting the Chair of the Health & Wellbeing Board. The Panel therefore recommend that the SRA for the Deputy Chair (Finance) be increased to £9,360.
- 6.29 The Panel also recommend that the SRA for the Lead Member for Adult Care & Health be slightly reduced to £9,360 as it was not on a par with that of a Chair of a Policy Committee and there remained a question mark as to how the role would develop and its relation with that of the Chair of the Health & Wellbeing Board..

### **Deputy Chairs of Committees**

- 6.30 The Panel took on board the comments of councillors in regard to the roles of Deputy Chairs and looked at the comparative information for other authorities. Having identified an increased level of responsibility for Planning and Licensing, the Panel were of the view that this should be reflected in the SRAs for the two Deputy Chairs of these Committees.
- 6.31 In regard to the remaining Deputy Chairs of the Policy Committees, the Panel were mindful that a support role existed and was being fulfilled to a varying degree. It therefore felt that the positions should continue to be recognised within the scheme but did not warrant any real change and wished to keep them under review.
- 6.32 The Panel therefore recommends an SRA of £3,900 for the Deputy Chairs of Planning and Licensing and an SRA of £2,184 for the Deputy Chairs of the Policy Committees.

### **Leader Deputy Leader of the Opposition**

- 6.33 Whilst the Panel understood that the Conservative Group is the main Opposition in the current municipal year, it felt that the Scheme should be better placed to recognise changes in political balance in the future. The Panel have therefore recommended a reduction in the level of SRA for the

Leader of the Opposition to £10,920 to reflect the overall situation that existed in Brighton & Hove and to be more in line with comparable authorities.

- 6.34 The Panel also recommend that only one post of Deputy Leader of the Opposition be retained within the Scheme; to reflect that of the situation of the Leader and Deputy Leader; again with a slight reduction in the level of SRA to £6,240.

### **Opposition Spokespersons**

- 6.35 The Panel have concluded that the role and level of responsibility for the Opposition Spokesperson was not sufficiently demonstrated to make a case for recognition above that of another member of a committee. It was felt that attendance at a pre-meeting was not justification for an SRA and that all opposition Members would seek to ensure they were fully briefed in order to undertake an effective opposition role on a committee. The Panel also looked for comparison at other local authorities and could not find similar payments being made.
- 6.36 The Panel therefore recommend that the position of Opposition Spokesperson not be recognised within the Scheme of Allowances and thereby not attribute an SRA.

### **Minority Group Leader(s)**

- 6.37 The Panel reviewed the restriction on the payment of an allowance to a Minority Group Leader and recommend that the 10% of seats minimum requirement be maintained. However, in line with the reduction to the Deputy Leader of the Opposition, a slight reduction in the SRA for a Minority Group Leader of £6,240 is recommended.

### **Overview & Scrutiny Chairs**

- 6.38 Although not a new function, the Panel has recognised that some changes in the overview & scrutiny function have taken place with only two committees now in operation. The Panel noted that each committee has a specific role, and that the Health & Wellbeing Overview & Scrutiny Committee would need to establish working relations with the Health & Wellbeing Board.
- 6.39 However, in taking into consideration the change to a committee system and the role of scrutiny within that; the Panel felt that the role of the Chair for these two committees had reduced and therefore recommend a slight reduction in the level of SRA to £6,240 for the two posts.

## **7. Other Considerations to the Scheme**

- 7.1 The Panel would like to put on record that we are aware of the hard work that all councillors do in their wards, dealing with community matters, supporting their constituents and representing them at meetings, as well as attending many other duties such as Local Action Team meetings, Community Association meetings and many more besides. We recognise that this work

takes a considerable amount of time and that it is undertaken in addition to the raft of approved duties which are in the council's official timetable, relevant training programmes or schedules.

- 7.2 We were concerned to learn of the financial difficulty that some councillors or their councillor colleagues were experiencing in undertaking their council duties. Although in times of economic crisis the Panel recognises that it is difficult to justify increasing allowances, and there will be little public support for such a move, for some councillors this is the only recompense they receive for an average of 29 hours per week spent on council business. Much of which is carried out in the evenings and at weekends and which has to fit around paid employment and family life.
- 7.3 We realise from our many discussions with councillors throughout a number of reviews that this is where there is the biggest change in terms of roles and responsibilities. Whilst budgets and financial constraints severely restrict any major move in this direction, we do feel that some recognition with an increase in the Basic Allowance should be given in view of the greater burden councillors are facing to complete their work.
- 7.4 We are also keen to support a move towards the better retention and support of as wide a cross-section of the community as possible if they wish to stand and remain as elected members. These facts must, however, be balanced with the voluntary element of the scheme and we feel it is not unreasonable that an element of the caring costs should continue to be met from the basic allowance.

### **Child & Dependants' Carers' Allowances**

- 7.5 The Child & Dependants' Carers' Allowance is another part of the Scheme that the Panel has considered in great detail. The Panel were mindful that parent councillors should not be disadvantaged in any way, nor should those with responsibilities for caring for elderly relatives. The Panel met with a number of councillors to discuss these important issues and also looked at how other authorities applied similar schemes to ascertain whether the current process should be adapted.
- 7.6 We have looked at each of the concerns that have been raised with us in relation to care support and we have attached at Appendix 3 a list we have obtained from the council's Children's Services directorate of the average cost of child care provision in the city. However, we would like to point out that whilst these figures reflect caring costs for children who are regularly looked after, we do recognise that the ad hoc nature of a councillor's work may mean that care provision such as this is not necessarily feasible.
- 7.7 We acknowledge that it may be more practical for councillors to use family and friends to provide them with this type of care and we support this approach provided the family member does not live in the same household. Alternatively, the At Home Childcare scheme is a facility in which the council acts as "agent" between the carer and the parent/s. We understand that this scheme can be a good option for parents who need flexible childcare. The

scheme is home-based and provides support for parents with more than one child as well as those with children who have special needs. Carers are vetted by the council and given appropriate training. A summary is set out in Appendix 4 to this report.

- 7.8 We are keen to emphasise that whilst we do not insist that only registered child-minders be used because we recognise there may be impracticalities of doing so for ad hoc caring, the onus is on parent councillors to ensure appropriate carers are employed by them. We understand from legal advisers that there is no liability on the part of the authority should inappropriate carers be used, whoever meets those caring costs.
- 7.9 We are aware that some councillors wish the council to introduce an annual lump sum taxable allowance to meet their caring expenditure. They feel that this would be a more flexible approach and it would enable them to meet their costs whatever arrangements were in place. However, as in all other parts of the scheme, the Panel continues to press for payments to be claims-based because we feel that this is the only open and accountable option.
- 7.10 To this end and again mindful of national interest, we recommend that only care claims accompanied by receipts for attendance at approved duties be reimbursed, thus giving a clear message to the electorate that there is a robust audit trail of expenditure on this and all other parts of the budget.
- 7.11 The Panel has sought clarification from the Inland Revenue on salary sacrifice schemes such as childcare vouchers. We have learnt that these cannot be made available to councillors as such schemes can only be offered to *employees* by their employer. Councillors do not fit into that category. However, eligibility for Working Tax Credit and Child Tax Credit is something that individual councillors and their partners will need to discuss direct with the Inland Revenue as personal circumstances will vary.
- 7.12 We recommend therefore that care costs for approved duties should be paid to the councillor, provided they complete and submit the relevant form and attach their receipt. We propose to set the annual cap at £1,500pa for all child and dependent care but we propose that the maximum hourly rate should be raised to £7.65 (in line with the Living Wage) in respect of children receiving “baby-sitting” care. This rate would apply to each child requiring care and we also recommend that the upper age limit for cared-for children should remain at “under 14”.
- 7.13 We also recommend that an hourly rate £7.65 be payable for dependant adults and children with severe disabilities/special needs.
- 7.14 In relation to paragraphs 7.12 and 7.13 (above), no payments should be made which are over and above actual cost of the care provided.
- 7.15 The Panel will also continue to review this aspect of the Scheme on an annual basis, as we recognise it is an issue that needs to be closely monitored and adapted to meet changing circumstances.

## **Travel and Subsistence Allowance**

- 7.16 Independent Remuneration Panels have direct responsibility for making recommendations in relation to travel and subsistence and in turn, local authorities are permitted under the 2003 Regulations to set their own Travel and Subsistence Allowances.
- 7.17 The Panel would like to place on record its continued support for the council's sustainable transport agenda and we wish to actively support cycling and the use of public transport. We remain in line with a growing number of local authorities who are supporting the move towards more sustainable travel.
- 7.18 The Panel supports the council's wishes to encourage greater use of bikes within the city and is pleased that there is evidence of take-up in this area of the scheme. We note also that the original tax-free bike loan scheme is still in existence entitling councillors to take a lump sum tax-free loan to buy a bike.
- 7.19 Although we have listened to the concerns of councillors who use cars to cross the city, we continue to support the policy whereby only cycling or public transport is claimable within the Brighton & Hove boundaries. We are pleased to report that the Members' Allowances Scheme offers councillors the choice between an Annual Saver Ticket for bus travel and cycle mileage within the city. In order to make this sustainable agenda as flexible as possible, the scheme also supports a combination of ticketed bus travel and the reimbursement of cycle mileage for approved duties.
- 7.20 The Panel constantly looks for examples of good practice, at nationally recognised bodies and to experts to support any of its views. In this instance we have followed the Inland Revenue advisory flat rates of 40p per mile for cars, 24p for motorcycles, irrespective of engine size and 20p for bicycles when setting an appropriate level of reimbursement for travel. We acknowledge that anything above these rates would incur tax liability and we remain of the view that Brighton & Hove should continue to mirror Inland Revenue advisory rates and any amendments made to them in the future.
- 7.21 In terms of the scheme, where car use is deemed appropriate, we continue to encourage car sharing and the use of bicycles alongside public transport as environmentally sound means of travel. We also actively support car sharing and recommend that Inland Revenue advisory rates of 5p per passenger per mile (for a maximum of four passengers per vehicle) be claimable when travelling on approved duties.
- 7.22 A small number of councillors have drawn to our attention their concerns over the earlier withdrawal of car mileage payments within the city boundaries. This they say has caused a degree of hardship when travelling to several meetings at different venues on the same day and when public transport or cycling could be ruled out due to insufficient time. We have listened to these concerns and acknowledge that there may be some difficulty for a number of councillors but we consider it important that a more sustainable approach be



retained and we are of the view that any costs incurred for such travel should be paid for from the basic allowance.

- 7.23 The Panel is has noted the council's Driving at Work Policy and we recommend that councillors should remain in line with staff and thereby comply with any of the policy's requirements. This means that councillors will be required to prove they hold a valid driving licence, have an appropriate business motor insurance policy and MOT certificate (where applicable) if they use their vehicles for council business.
- 7.24 The Panel remains conscious also of the need to provide for exceptional circumstances and we continue to recommend that the use of taxis/personal transport be permitted by former Mayors undertaking mayoral duties on behalf of the Mayor, or indeed of the Mayor or Deputy should the mayoral car not be available for any reason.
- 7.25 In addition, in exceptional circumstances and/or where disability or injury applies councillors' use of private transport/taxis is at the discretion of the Monitoring Officer.

### **Subsistence Rates**

- 7.26 The Panel is happy that the current allowances for subsistence remain reasonable and we recommend that the following maximum rates be retained:

£6.77	Breakfast
£9.30	Lunch
£3.50	Tea
£15.00	Dinner

- 7.27 The Panel feel also that the rules on reimbursement for meals purchased on trains should remain and that the overnight rate of £114 in London and £100 per night elsewhere for conference attendances are appropriate.
- 7.28 The Panel remains of the view that it is not appropriate or reasonable for the cost of alcohol purchased by councillors whilst on approved duties to be borne by the taxpayer and therefore stresses that this should be stipulated in the Members' Allowances Scheme.
- 7.29 As with previous reviews, the Panel recommends that no subsistence should be claimable by councillors within the Brighton and Hove boundaries. This is consistent with the approach adopted in respect of motor travel. We see no evidence of any need to change this part of the scheme and recommend that this continues to be covered by the Basic Allowance. However, once again we would suggest that should exceptional circumstances apply, an individual case should be considered by the Monitoring Officer.

## **8. Approved Duties**

- 8.1 The Panel recommends that the approved duties identified in Appendix 5 to this report be agreed and that child, dependent care, travel and subsistence

all be claimable provided any additional requirements set down elsewhere in the report are met. This means that car/motorcycle travel and subsistence are only claimable outside the authority's area.

## **9. Independent Co-optees of the Audit & Standards Committee**

- 9.1. A Co-optees' Allowance for the position of Independent Co-optee of the Audit & Standards Committee was reviewed and reported to the Policy & Resources Committee in May 2014. The Panel recommend that the level of SRA and the agreed payment for Chairing Standards Panels should remain at their current level.
- 9.2. As in past reviews, we have looked for comparison at the levels of allowances paid in other local authorities and we are happy that Brighton & Hove sits amongst its peers in terms of the level of allowance paid to the Independent Co-optees. We recommend therefore that a 1% salary inflationary increase be applied to the Co-optees' Allowance. This will bring the allowance to £1,010 for 2015/16, which is the same as the percentage increase applied to the council's salary inflationary increase for staff.

## **10. Non-co-optees Allowances**

- 10.1. In terms of travel and subsistence, child and dependent care, the Panel holds the view that levels of remuneration for non-committee co-optees should continue to be the same as those in the Members' Allowances Scheme. We note that officers are currently updating the full list of bodies, working groups etc. which fall within this category but remain of the view that despite any such name changes which may be made, the principle remains the same. We would encourage as much uniformity as possible in this respect whilst acknowledging that those departments which make direct payments retain the authority to reimburse at individual rates should they consider them more appropriate to their departmental needs.

## **11. Mayor's and Deputy Mayor's Allowances**

- 11.1 Although the Mayor's and Deputy Mayor's allowances do not form part of the Members' Allowances Scheme per se, we continue to keep a watchful eye on their appropriateness. We note that the allowances have not been increased for some time and to remain consistent with our approach, we recommend that the level of allowances for both the Mayor and the Deputy Mayor continue to be increased in line with the 2014/15 salary inflationary increase applied by the council for its staff i.e. 1% for 2015/16.
- 11.2 These allowances shall equate to £12,698 and £3,554 respectively. The Panel considers that the payment of allowances to the Mayor and Deputy be made subject to the post-holders undertaking their full duties throughout their term of office.
- 11.3 We know from the previous review that should the Mayor or Deputy be unavailable for any reason, duties may be undertaken by any one of the Former Mayors and we continue to support that arrangement. However we

are once again mindful of the budget pressures that could result should reliance on Former Mayors increase in any way and we propose that this level of cover be kept under review. Should either the Mayor or Deputy Mayor be incapacitated for a significant period of time, it is hoped that consideration would be given to their allowance being used to offset the cost of using the Former Mayors to cover any engagements during their period of absence.

## **12. Pensions**

- 12.1 The Panel has noted that changes to the Regulations will prevent newly elected councillors in 2015 from joining the Local Government Pension Scheme (LGPS). Having previously been fully supportive of councillors being given the widest possible opportunities to join the LGPS, we feel this is a retroactive step.
- 12.2 We note that to date 33 councillors have joined the scheme and that those re-elected in May will be able to remain within the scheme. It will therefore be left with each individual councillor to determine what action they take in regard to having a pension; but we hope that advice will be sought from the appropriate officers.

## **13. Withholding of allowances**

- 13.1 The Localism Act 2011 changed the regulations governing standards regime for dealing with complaints against councillors and the Panel have noted the scheme adopted by the Council which falls to Standards Hearing Panels. The Panel have also noted that upon finding a breach of the Code of Conduct, recommendations are limited and rely on the Council and/or the Leader of a Group implementing any sanction. As such, where a decision affects the role/position of a Member in so much as they may no longer hold a position that attributes an SRA, the payment of the allowance will cease from the effective date of the change in that role.

## **14. Parish Council**

- 14.1 In previous years, we have consulted with Rottingdean Parish Council on the subject of a Parish Allowance and intend to do so after the 2015 elections, in order to determine whether the newly elected parish councillors would wish to claim any allowances in the 2015/16 municipal year.

## **15. Public Service Principle**

- 15.1 The Panel notes that the concept of public service and civic duty continues to be upheld by many councillors despite the time commitment involved and increasing demands placed upon them. We accept that this concept should remain and consider that a proportion of any time spent should continue to be regarded as voluntary. In the past we have recommended that the public service principle should be calculated at 40%. In other words, councillors give 40% of their time on a voluntary basis and although we recognise this is a significant contribution, we feel that it is set at an appropriate level.

- 15.2 The Panel therefore, is not recommending any change to the voluntary contribution at the current time.
- 15.3 Whilst supporting this ethos, we believe that the council should provide a package of financial support which is reasonable, that it goes some way towards addressing the disincentives from serving in local politics, and that it does not disadvantage people from all walks of life who wish to enter the political arena in this way.
- 15.4 We are aware that the Government is keen to increase the number of people wishing to serve as councillors and we are mindful that locally the next elections will take place in May 2015. On the back of that we hope that the Government will give further consideration to encouraging employers to enable staff to take time off for council duties without penalty.
- 15.5 Maintaining a work/life balance has been a difficulty for many councillors over the past few years and we are aware that council and council related duties continue to have a significant impact on their personal lives. In making our recommendations we are seeking to support the council to find ways of ensuring that all councillors give proper consideration to maintaining a work/life balance which we believe will help to encourage a wider cross-section of the community to serve on the council in the future.

## **16. Public Expenditure**

- 16.1 The Panel has undertaken an extensive review at a time of financial constraint and we have therefore made recommendations which we feel reflect the seriousness of the current economic climate within which we must work, yet which also give appropriate recognition for the roles and duties of an elected councillor.
- 16.2 It is hoped that the views we have expressed in this report demonstrate our belief that the proposed Scheme is reflective of the changing roles and responsibilities of all councillors and that appropriate recognition and support is provided to undertake public duty.
- 16.3 Mindful that we wish to remain within budget we have sought to provide much needed support to those in backbench positions who feel they struggle to cope with the financial burden and in particular to those with caring needs. These are perhaps radical recommendations to put forward, but as a Panel we feel that they are fully justifiable and that they reflect the work of the authority under its new modernised governance arrangements.
- 16.4 We note that the council has set the Members' Allowances budget at £1,038,300 for 2014/15 and working within that figure, we regard it imperative that any recommendations we make as an Independent Panel are sound. We are pleased to report therefore that each of the changes we are proposing are both transparent and accountable, that they remain in line with other local, national and regional authorities used for comparison and that they also remain within the prescribed budget.

## 17 In Summary

- 17.1 Whilst the purpose of this in-depth review has been to focus on all our work areas, we have paid additional attention to those sections of the scheme that have been identified as of particular significance. These include the following:
- The level of the Basic Allowance;
  - The number and level of Special Responsibility Allowances;
  - The Child Care and Dependents' Carers' Allowance;
  - Motor mileage within the city.
- 17.2 We have listened to any views that have been put to us and we are confident that the package we are now recommending is one which encompasses the changing role of the authority. We realise that in such difficult economic circumstances there is little room for flexibility and no justification for large payments but we feel that what we are recommending does provide wider support for those with caring needs and some much needed support for councillors carrying out their community councillor roles.
- 17.3 The Panel recognises that there has been little guidance on the modernisation of local government in terms of Members' Allowances to date but we have taken on board evidence from other local authorities and the views of individual councillors in our efforts to provide a Members' Allowances Scheme that reflects a modern and dynamic authority in the 21<sup>st</sup> century.
- 17.4 We note that in the past a number of councillors have chosen not to take the salary inflationary increase on their Basic Allowance. Whilst we fully respect that personal decision, we feel it is important to account for the overall budgetary implications of the cost to the Members' Allowances Scheme, so that this can be accounted for within the council's budget setting process.
- 17.5 The Panel would also remind the council that it has been asked to recommend a scheme that would be effective for the new intake of councillors in 2015/16; and therefore consideration and approval of the Scheme does not have a direct impact on serving councillors.
- 17.6 As outlined elsewhere in this report the Panel has carried out an extensive review of each of the allowances set down in the Scheme. We are of the opinion that there is likely to be a greater political dynamic to the Authority resulting from the forthcoming council elections and into the next Administration and the Panel believe that each of its recommendations provides a fair, open and transparent scheme of allowances for those elected and those involved in the democratic process.
- 17.7 In setting out a new Scheme for the duration of the term of the Council, the Panel intend to meet annually but also on occasion when it sees fit, to review matters and account for any further structural or economic changes that may arise in an Annual Report to the Full Council. It is not envisaged that an extensive review will be required until 2018 so that any substantial changes to the Scheme can be considered prior to the next local elections in 2019.



## Financial Information

- 1.1 The Members' Allowances budget for 2014/15 is £1,038,300 and this figure has been used as the basis of the Panel's recommendations. Although outside the Panel's remit we have shown the cost of the new recommendations and compared them with the current scheme plus a 1% salary inflationary increase and no inflationary increase. The costs of the schemes are set out in the tables at paragraph 1.5.
- 1.2 We are pleased to report that the recommendations outlined in the right-hand column of the table below, based on the current level of pension take-up, bring the scheme within the overall Members' Allowances budget of £1,038,300 and provide a potential saving of £38,047.
- 1.3 We note that in relation to the Members Allowances budget for 2015/16:
- (i) That the retention of the current scheme without any inflationary increase (Table 1) would result in a saving of £9,496 based on the budget figure for 2014/15 of £1,038,300 with the projected national insurance contributions and pension costs;
  - (ii) That the retention of the current scheme with a 1% inflationary increase applied to the Basic Allowance and the Leader's Allowance with subsequent increases to the other SRAs (Table 2) would amount to £1,037,208 which would result in a saving of £1,092 based on the projected national insurance contributions and pension costs;
  - (iii) That the approval of the new scheme as recommended by the Panel would amount to £1,000,253 which would result in a saving of £38,047 based on the projected national insurance contributions and pension costs.
- 1.4 We are also mindful that disregarding an inflationary budgetary provision for the Basic Allowance would only add pressure to future budgets as was previously the case in 2002 and 2011 when it appeared that significant increases to the allowances were being recommended but in reality there had been no increase to the level of allowances for 3 years.
- 1.5 The tables below (referred to in 1.3 above), detail the cost of the current scheme in the first column and compares this with the Panel's proposed scheme in column two on the basis of:
- (a) The current scheme having no inflationary increase applied to either the Basic Allowance or the SRA's and the projected costs for national insurance and superannuation;
  - (b) The Panel's recommendations, of an increase applied to Basic Allowance, an increased Leader's Allowance and associated changes to

the number and level of other SRA's; and a projected costs for national insurance and superannuation;

- (c) A 1% inflationary increase applied to the current scheme across the board along with the projected national insurance and superannuation costs.

**Table 1**

<b>Estimated 2015/16 Members' Allowances Budget = £1,038,300</b>			
<b>Cost of current Members' Allowances Scheme with effect from 11 May 2015; based on no changes:</b>		<b>Cost of IRP recommended Members' Allowances Scheme from 11 May 2015</b>	
Basic Allowance: 54 x £11,463 =	£619,002	Basic Allowance: 54 x £11,762 =	£635,148
Special Responsibility Allowances: If 29 out of 30 are paid:	£233,761	Special Responsibility Allowances: If 21 of 23 are paid:	£189,064
Mayor & Deputy Mayor's Allowances:	£16,091	Mayor & Deputy Mayor's Allowances:	£16,091
Total Allowances	£868,854	Total Allowances	£840,303
On-costs based on projected take-up	£155,150	On costs based on projected take-up	£155,150
Plus current child-care & Dependent care costs	£ 4,800	Plus current child-care & Dependent care costs	£ 4,800
<b>TOTAL</b>	<b>£1,028,804</b>	<b>TOTAL</b>	<b>£1000,253</b>
2015/16 Budget	£1,038,300	2015/16 Budget	£1,038,300
<i>Saving of</i>	£ 9,496	<i>Saving of</i>	£ 38,047



**Table 2**

<b>Estimated 2015/16 Members' Allowances Budget = £1,038,300</b>			
<b>Cost of current Members' Allowances Scheme with effect from 11 May 2015; based on a 1% salary inflationary increase:</b>		<b>Cost of IRP recommended Members' Allowances Scheme from 11 May 2015</b>	
Basic Allowance: 54 x £11,578 =	£625,212	Basic Allowance: 54 x £11,762 =	£635,148
Special Responsibility Allowances: If 29 out of 30 are paid:	£235,955	Special Responsibility Allowances: If 21 of 23 are paid:	£189,064
Mayor & Deputy Mayor's Allowances:	£16,091	Mayor & Deputy Mayor's Allowances:	£16,091
Total Allowances	£877,258	Total Allowances	£840,303
On-costs based on projected take-up	£155,150	On costs based on projected take-up	£155,150
Plus current child-care & Dependent care costs	£ 4,800	Plus current child-care & Dependent care costs	£ 4,800
<b>TOTAL</b>	<b>£1,037,208</b>	<b>TOTAL</b>	<b>£1000,253</b>
2015/16 Budget	£1,038,300	2015/16 Budget	£1,038,300
<i>Saving of</i>	<i>£ 1,092</i>	<i>Saving of</i>	<i>£ 38,047</i>



### Special Responsibility Allowances

<b>Responsibility</b>	<b>SRA (£)</b>
Leader of the Council*	31,200
Deputy Leader of the Council**	21,840
<b>Chairs of Policy Committees</b>	
Policy & Resources*	10,920
Children & Young People**	10,920
Economic Development & Culture**	10,920
Environment, Transport & Sustainability**	10,920
Housing**	10,920
<b>Chairs of Regulatory Committees</b>	
Planning	11,856
Licensing (dual role)	11,856
Audit & Standards	6,240
Deputy Chair of Policy & Resources (with responsibility for Finance)	9,360
Lead Member for Adult Care & Health	9,360
<b>Chairs of Overview &amp; Scrutiny Committees</b>	
Overview & Scrutiny	6,240
Health & Wellbeing OSC	6,240
<b>Deputy Chairs of Regulatory Committees</b>	
Planning	3,900
Licensing (dual role)	3,900
<b>Deputy Chairs of Policy Committees</b>	
Children & Young People	2,184
Economic Development & Culture	2,184
Environment, Transport & Sustainability	2,184
Housing	2,184
<b>Other positions of additional responsibility</b>	
Leader of the Opposition Group	10,920
Deputy Leader of the Opposition Group	6,240
Leader of the Minority Group	6,240

\*Double up for Leader & Chair of P&R

\*\* Double up for Deputy Leader & Chair of a Policy Committee



## Childcare Costs

This data relates to all childcare provision and gives an indication of childcare costs across the city for 2013/14.

When looking at childcare costs the following should be noted:

- Childcare providers were asked to give their cost for a place for a child per day, or per session as appropriate. In some cases they offer discounts, for example for a child who attends all week. Many settings offer discounts for siblings. Conversely many settings charge more, on a pro-rata basis, for a half day, particularly for a morning session.
- Cost data does not take into account what the fee buys. This is particularly relevant for full day care where some providers include all food and supplies in their fee, while others will require parents to provide everything.
- Cost only matters to parents if they can find a vacancy at a price they can afford in a place where they want it. When a parent is looking for childcare it is irrelevant to them that there may be vacancies at a cheaper price in an area of the city they cannot get to, or there may be nurseries with lower fees but all its places are full. It is also irrelevant to a parent who cannot find childcare at session times they need.
- Costs do not take account of the fact that from the term after their third birthday until they start school children are entitled to 15 hours of free early learning for 38 weeks a year. From September 2013 this entitlement will be extended to 20 per cent of two year olds in the city.
- The cost of a full-time place all year round for a child up to the age of two can be as much as £16,237 (or £312 per week)<sup>1</sup>. However, very few parents use childcare to this extent. For a parent of a child up to the age of two using childcare all year round for 25 hours a week and paying the average fee of £45.30 per day, the cost would be £5,889 a year (or £113.25 a week).
- Some voluntary sector and school-run breakfast clubs, after-school clubs and holiday play schemes offer significantly discounted fees to low income and non-working parents, particularly where children are in receipt of free school meals. However, the costs used for these calculations are the highest cost the setting charges.

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<sup>1</sup> Assuming the child attends ten hours a day for five days a week and the setting charges for 52 weeks a year

### Cost of Full Day Care

The following table shows average<sup>2</sup> childcare costs and change over time.

#### Cost of Full Day Care per Day Average Cost and Change in Costs<sup>3</sup>

Age of child	Average cost per ten hour day (2012) (£)	Average cost per ten hour day 2011 (£)	Average cost per ten hour day 2010 (£)	Average cost per ten hour day 2009 (£)	Average cost per ten hour day 2008 (£)
0 to 23 months	45.30 (+0.2)	45.19 (+3.3)	43.70 (+3.8)	42.10 (+4.1)	39
2 years	45.30 (+0.2)	45.19 (+12.1)	40.30 (+2.3)	39.40 (+6.8)	36.9
3 to 5 years	42.84 (+0.2)	42.83 (+7.3)	39.90 (+9)	36.60 (+3.1)	35.5
0 to 5 years	44.03 (+0.3)	43.88 (+7)	41.00 (+4.1)	39.40 (+7.9)	36.5

The following table shows the number of registered places by cost band.

#### Number of Full Day Care Places by Cost Band

Band	Price per day (£)	Number of places	Per cent of all places
1	25.00 - 29.99	59	1.8
2	30.00 - 34.99	96	3.0
3	35.00 - 39.99	351	10.8
4	40.00 - 44.99	964	29.8
5	45.00 - 49.99	1,224	37.8
6	50.00 - 54.99	340	10.5
7	55.00 - 59.99	202	6.2
<b>Total</b>		<b>3,236</b>	<b>100</b>

This shows that 67.6 cent of all full day care places are priced between £40.00 and £49.99 per day. However, the number of full day care places costing £50 or more per day has increased from 13.1 per cent of all places last year to 16.7 per cent of all places this year.

### 2.13 Cost of Sessional Care

The average cost of sessional childcare is £14.43 per session. However, session lengths vary between settings.

In previous CSAs the cost of sessional care per hour was reported. However, as parents cannot usually purchase sessional care by the hour this has been amended to report cost per session. For this reason a comparison with previous years cannot be made.

<sup>2</sup> All averages in tables are means

<sup>3</sup> Per cent change in brackets

**Distribution of Sessional Care Costs**

Band	Price per session (£)	Number of registered places	Per cent of all places
1	5.00 - 9.99	155	9.9
2	10.00 - 14.99	655	41.7
3	15.00 - 19.99	458	29.2
4	20.00 - 24.99	177	11.3
5	25.00 - 29.99	40	2.5
6	30.00 - 34.99	84	5.4
<b>Total</b>		<b>1,569</b>	<b>100</b>

This shows that more than 70 per cent of sessions are priced between £10.00 and £19.99.

**Cost of Childminding and At Home Childcare**

Childminding and at home childcare costs are shown for children of all ages, as rates tend to be the same.

**Cost of Childminding per Hour Average Cost and Change in Costs<sup>3</sup>**

Childminding city-wide	Average cost per hour 2012 (£)	Average cost per hour 2011 (£)	Average cost per hour 2010 (£)	Average cost per hour 2009 (£)	Average cost per hour 2008 (£)
All ages	4.80 (+2.3)	4.69 (+6.6)	4.40 (no change)	4.40 (+7.3)	4.11

**Cost of At Home Childcarer per Hour Average Cost and Change in Costs<sup>3</sup>**

Average cost per hour 2012 (£)	Average cost per hour 2011 (£)	Average cost per hour 2010 (£)
8.05 (+3.9)	7.75 (+7.5)	7.21

**Cost of Holiday Play Schemes and After-School Clubs**

These are reported per day or per session. For holiday play schemes the length of days tends to vary and so the rate for the standard day is shown, excluding any additional hours which parents may opt to purchase.

After-school club sessions last on average for two and three quarter hours.

**Cost of Holiday Play Scheme per Day Change in Costs<sup>3</sup>**

Average cost per day 2012 (£)	Average cost per day 2011 (£)	Average cost per day 2010 (£)	Average cost per day 2009 (£)	Average cost per day 2008 (£)
23.27 (-4.7)	24.42 (+14.6)	21.30 (+7)	19.90 (no change)	19.90

**Cost of After-School Club per Session Change in Costs<sup>3</sup>**

Average cost per session 2012 (£)	Average cost per session 2011 (£)	Average cost per session 2010 (£)	Average cost per session 2009 (£)	Average cost per session 2008 (£)
9.20 (+2.3)	8.99 (+8.3)	8.30 (-1.2)	8.40 (+6.3)	7.90

### Cost of Breakfast clubs

Of those breakfast clubs which make a charge, the average cost per session is £2.20 which is a 12.2 per cent increase on the sessional cost of £1.96 last time.

Some breakfast clubs are free to attend and only charge for the food children consume.

### Childcare Costs: Regional and National Comparisons

The Day Care Trust publishes data in its annual Childcare Costs Survey<sup>4</sup>, and these have been compared with the costs in Brighton & Hove in the table below.

#### Cost of Childcare: Regional and National Comparisons

Type of Care	Brighton & Hove <sup>5</sup> (£)	South East (£)	England (£)
Nursery for 25 hours a week (under two)	113.25	125.16	108.51
Nursery for 25 hours a week (age two and over)	110.12	131.34	106.52
Childminder for 25 hours a week (under two)	120.00	112.76	98.98
Childminder for 25 hours a week (age two and over)	120.00	111.73	97.27
After-school club 15 hours a week	46.00	52.65	49.71

In all cases except after-school clubs, the cost of childcare in Brighton & Hove is more expensive than the cost in England as a whole. However, Brighton & Hove's costs are cheaper than the south east averages for nursery care as follows

- Nursery for under two is 9.5 per cent cheaper in Brighton & Hove than in the south east
- Nursery for two and over is 16.1 per cent cheaper in Brighton & Hove than in the south east

Childminding, on the other hand, is more expensive in Brighton & Hove, compared with the south east averages

- Childminder for a child under two is 6.4 per cent more expensive in Brighton & Hove than in the south east
- Childminder for a child over two is 7.4 per cent more expensive in Brighton & Hove than in the south east

The cost of an after-school club place in Brighton & Hove is 12.6 per cent cheaper than in the south east.

<sup>4</sup> *Childcare Costs Survey 2013*, Daycare Trust

<sup>5</sup> The Daycare Trust refers to "nursery care" and the cost for full day care in Brighton & Hove are used for comparison, not the cost of sessional care



## Key findings

### Childcare costs

- ▶▶ The cost of sending a child under two to nursery part-time (25 hours) is now £109.89 per week in Britain or £5,710 per year.
- ▶▶ For a family with two children in full-time childcare, the yearly bill is £11,700. This makes childcare costs 62 per cent higher than the cost of the average mortgage for a family home.
- ▶▶ Over the last five years childcare costs have risen 27 per cent – meaning parents pay £1,214 more in 2014 than they did in 2009.
- ▶▶ Most parents buying full-time care contribute 20-30 per cent of their gross income on childcare.
- ▶▶ The average cost of an after-school club is now £48.19 per week in Britain or £1,830 per year.

### Childcare supply

- ▶▶ Just under half (49 per cent) of local authorities had enough childcare for working parents.
- ▶▶ Only a third (33 per cent) had enough childcare for children aged 5-11. This has worsened in the last five years.
- ▶▶ Three quarters (75 per cent) of local authorities do not have enough childcare for disabled children.

### Free early education for two-year-olds

- ▶▶ Over 30,000 of England's poorest two-year-olds miss out on free nursery education. This is over one quarter (26 per cent) of this cohort.
- ▶▶ There are big differences between local authorities in the proportions of two-year-olds receiving free early education. In London just 51 per cent of eligible children had been placed by November 2013.
- ▶▶ There are 37 local authorities where less than 60 per cent of eligible two-year-olds had been placed by November 2014, of which 25 were in London.

#### Average weekly childcare costs by region and nation, 2014

Region/Nation	Nursery 25 hours (under 2)	Nursery 25 hours (2 and over)	Childminder 25 hours (under 2)	Childminder (2 and over)	After-school club 15 hours	Childminder after-school pick up
East of England	111.90	105.02	121.28	120.45	51.13	58.37
East Midlands	94.30	97.19	86.27	86.05	46.48	61.84
London	140.12	136.93	136.40	138.77	49.04	93.83
North East	108.24	102.66	90.88	90.09	49.52	55.72
North West	98.00	97.58	84.81	89.27	49.27	60.59
South East	<b>130.08</b>	<b>121.58</b>	<b>110.32</b>	<b>115.86</b>	<b>47.68</b>	<b>66.10</b>
South West	109.70	104.96	100.48	99.54	50.75	61.54
West Midlands	112.17	101.85	85.52	82.85	46.85	62.37
Yorks and Humberside	94.03	87.94	90.68	90.75	44.84	62.38
England regional average	110.95	106.19	100.74	101.51	48.40	64.75
Scotland average	106.04	102.06	85.59	96.84	49.54	77.90
Wales average	103.17	102.28	94.24	94.24	45.98	55.61
Britain average of regions and nations	<b>109.89</b>	<b>105.52</b>	<b>99.77</b>	<b>100.52</b>	<b>48.19</b>	<b>65.08</b>

Source: Family and Childcare Trust Annual Childcare Costs Survey, 2014



Family Information Service Leaflet - [http://www.brighton-hove.gov.uk/sites/brighton-hove.gov.uk/files/downloads/children/Childcare\\_Chchoices\\_Booklet.pdf](http://www.brighton-hove.gov.uk/sites/brighton-hove.gov.uk/files/downloads/children/Childcare_Chchoices_Booklet.pdf)

## Childcare based in your home

This can be a good option for people who need flexible childcare, for example, if parents work unsociable hours. Families with several children may also find that home based childcare is more economical than paying for more than one place at other childcare settings. Parents of children with special needs who need one to one care in their home may also find this a good option.

### FIS At Home Childcarers

The FIS has developed this scheme for parents who want their children looked after by qualified and experienced carers in their own home. All At Home Childcarers are interviewed, go through a range of checks and undertake further training before they are accepted onto the scheme. They are not required to deliver the Early Years Foundation Stage. FIS At Home Childcarers are registered with Ofsted on the voluntary part of the childcare register.

**Age range:** From birth upwards

**Time available:** Very flexible

**Cost:** The average cost is £7.75 per hour

### Nannies

A nanny is employed by you directly, and can either live in your home or live out. Many are qualified childcarers and their duties are directly concerned with the care of your child. They can choose whether or not to register with Ofsted on the voluntary part of the childcare register.

**Age range:** From birth upwards

**Time available:** You employ the nanny for the hours you require

**Cost:** Varies greatly. Remember you will be responsible for tax and national insurance and if your nanny lives in, you will need to provide a self-contained room along with food

**Finding a nanny:** Through a nanny agency, or you could advertise in local or specialist publications, or on the internet.

### Au pairs

These are usually young people from other countries who live with a family and provide childcare whilst they learn English. They are not generally trained in childcare. Au Pairs are not registered with Ofsted.

**Age range:** They can help with young children when the parent is present, but are more appropriate for school aged children

**Time available:** They usually work a maximum of five hours per day and babysit for two evenings per week. They must have at least two full days off per week

**Cost:** You would pay a weekly allowance and provide them with their own room and food

**Finding an au pair:** Usually through an au pair or nanny agency

## Babysitters

Babysitters come to your home to look after your child on an ad-hoc basis. There are no specific legal regulations covering babysitters, although the NSPCC recommends that they should be over 16. Babysitters are not registered with Ofsted.

**Age range:** Any

**Time available:** Flexible

**Costs:** Varies. Expect to pay around £10 per hour through an agency and a registration fee

**Finding a babysitter:** If you use childcare ask your childcare provider, as many staff offer babysitting services. You could also contact a college that runs childcare courses and ask for a student, or use a babysitting agency.

## Approved Duties

Brighton & Hove City Council specifies the following as approved duties for the purpose of the payment of Travel, Subsistence and Dependants' Carers' Allowances.

1. Attendance at :
  - (a) The council, or any of its committees and sub-committees.
  - (b) The bodies to which the council makes appointments or nominations at either Annual Council or Policy & Resources Committee including any committee or sub-committee of such a body.
  - (c) The following meetings, the holding of which is authorised by the council, or any of its committees or sub-committees, or by any joint committee (or sub-committee thereof) of the council and any other authority, provided that it is a meeting to which councillors of at least two political groups of the council have been invited:
    - i) Meetings of the council's formally established consultative fora and partnerships, scrutiny review panels and select committees.
    - ii) Meetings with outside bodies in pursuit of economic development objectives which have been authorised by the council, or any of its committees or sub-committees.
    - iii) Councillors' tours of the authority's area which have been authorised by the council, or any of its committees or sub-committees.
    - iv) Internal training sessions organised and facilitated by officers of the council for the induction of councillors or for the better performance of their duties and responsibilities or to enable better understanding of the council's functions.
2. The following meetings of associations of authorities of which this authority is a member:
 

The Local Government Association and its committees
3. Any other duty, or class of duty approved by any committee, or officer of the council acting under delegated powers, such duty or class of duty to be for the purposes of or in connection with the discharge of the functions of the council, or its committees or sub-committees.



## Payment Policy for SRAs around Election Time.

### STATEMENT OF ARRANGEMENTS FOR PAYMENTS TO MEMBERS

**OUTGOING COUNCILLORS** - Councillors who stand down at an election and those who lose their seats will be paid until 4 days after the election.

**INCOMING COUNCILLORS** - Where a Councillor is elected to office following an Annual Local Government Election, from the fourth day after the date of the election or the date of making the declaration of Acceptance of Office (57 LGA 1972). For a Councillor elected to office at any other time, they commence from the date making the Declaration of Acceptance of Office.

**PRO RATA PAYMENTS** - Where a Councillor holds the office of Councillor for less than a full calendar month the allowance will be calculated on a pro rata basis by reference to the number of days entitlement to the allowance to the total number of days in that particular month.

If in the course of a year if a Councillor becomes, or ceases to be, a Councillor, or accepts or relinquishes a Special Responsibility Allowance the schedule will be amended accordingly.

**OVER PAYMENT** - Where the payment of a monthly instalment of an allowance results in a Councillor receiving more than the amount entitled, the overpayment will be recovered subsequently through a deduction from other allowances due to that Councillor.

### PAYMENT ARRANGEMENTS – SPECIAL RESPONSIBILTY ALLOWANCES

**LEADER OF COUNCIL** - The date of payment of the Leader will start from the date when elected at Annual Council and continue for the duration of their term of office. All other payments will run as per the Civic year (i.e. ending on the day before Annual Council):

**GROUP LEADERS** – The date of payment will normally start from the date when appointed at the Annual Council meeting and continue until the day before the next annual meeting.

**CHAIRS & DEPUTY CHAIRS** – The date of payment of committee chairs and deputy chairs will start from the date when they are appointed at the Annual Council meeting. Payments will continue until the day prior to the next annual council meeting.

#### In all cases:

SRA payments received by Members in their May payment will be for the period up until the Annual Council meeting only. SRA's which are renewed or started from the May annual council will be paid to Members commencing in June, with retrospective payment covering the period between Annual Council and the end of May being made in that first payment. Committee Chair's SRA's will usually commence in the month following the month of their appointment, with any retrospective payment due, being picked up in the first payment.





## **BRIGHTON & HOVE CITY COUNCIL**

### **MEMBERS' ALLOWANCES SCHEME**

The Brighton & Hove City Council, in exercise of the powers conferred by the Local Authorities (Members' Allowances) Regulations 2003/05, hereby makes the following Scheme:

#### **1 The Scheme**

1.1 This Scheme may be cited as the Brighton & Hove City Council Members' Allowances Scheme 2015-2019 and shall have effect on and from 21 May 2015 unless stated otherwise.

#### **2 In this Scheme**

2.1 "the council" means Brighton & Hove City Council;

2.2 "councillor" means a Member of the Brighton & Hove City Council who is a councillor;

2.3 "co-opted member" means a member of a committee or sub-committee of the council who is not a member of the authority;

2.4 "total estimated allowances" means the aggregate of the amounts estimated by the Responsible Finance Officer, at a time when a payment of Basic Allowance or Special Responsibility Allowance is made, to be payable under this Scheme in relation to the relevant year, and for this purpose any election under paragraph 13 shall be disregarded;

2.5 "year" means the 12 months ending with 31 March.

#### **3. Basic Allowance**

3.1 Subject to paragraphs 12 and 13, for each year a Basic Allowance of £11,762 shall be paid to each councillor. These payments came into effect on and from 11 May 2015 and subsequently from each Annual Meeting of the Council 2016-2019, subject to any recommendations from the Independent Remuneration Panel.

#### **4. Special Responsibility Allowances**

4.1 For each year a Special Responsibility Allowance shall be paid to those councillors who hold the special responsibilities in relation to the council that are specified in Schedule 1 to this Scheme. These payments came into effect on and from 21 May 2015 and remain as listed.

4.2 Where a councillor holds more than one position of responsibility, only one Special Responsibility Allowance shall be paid, such an allowance being the higher or highest of the relevant allowances.

4.3 Subject to paragraphs 13 and 14, the amount of each such allowance shall be the amount specified against that special responsibility in that schedule.

## **5. Attendance Allowance**

5.1 No Attendance Allowance shall be payable.

## **6. Travel, Subsistence and Dependants' Carers Allowances**

6.1 Travel, Subsistence and Dependants' Carers' Allowances shall be paid to councillors and co-opted members in accordance with Schedule 2 to the Scheme.

## **7. Pensions**

7.1 The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 have resulted in the Local Government Pension Scheme (LGPS) no longer being available to newly elected Members. Those Members who are re-elected and had opted to join the scheme are able to remain within the scheme until such time as their term of office comes to an end.

7.2 All councillors shall be entitled to a pension in accordance with a scheme made under section 7 of the Superannuation Act 1972 and basic allowance and special responsibility allowances shall be treated as amounts in respect of which such pensions are payable.

7.3 Where members elected to join the LGPS, both the Basic Allowance and any Special Responsibility Allowance to which they may be entitled or may become entitled, shall be treated as amounts in respect of which a pension is payable.

7.4 The Local Government Pension Scheme and the Discretionary Compensation (Local Authority Members in England) Regulations 2003 shall apply to Members who elected to join the LGPS.

## **8. Income Tax / National Insurance / Statutory Sick Pay**

### **Income Tax**

8.1 Basic, special responsibility allowances and the co-optees allowances are classed as income and are subject to taxation. Recipients are expected to make returns to the *Inspector of Taxes* so that a correct tax code is provided to enable payments to be processed through the normal payroll procedures.

8.2 Councillors are reminded to keep their own records of expenses claims and reimbursements for income tax purposes.

### **National Insurance**

8.3 Contributions for national insurance are payable whether or not the Councillor has other employment or self-employment. There is, however, an annual maximum for people with more than one job and a councillor in this position may apply to their local contributions agency office for a Form CA27A. This should be sent to Deferment Services in the National Insurance

Contributions Office who in turn can issue form CA2700. This will authorise an employer to deduct primary NICs at a rate of 2% on all earnings from the Earning Threshold (ET) for that tax year. A deferment certificate is only valid for the specified tax year and a new application is required for each subsequent year if the circumstances continue.

8.4 Some councillors may be exempt or liable to reduced rate contributions:

- a) married women and certain widows who have elected (or are treated as having elected) to contribute at the reduced rate;
- b) men aged over 65 years and women aged over 61 on a rising scale to age 65.

8.5 Councillors who come within these categories should apply to their local contributions agency office for a *Certificate of Exemption* or a *Certificate of Age Exemption*. When this certificate has been received it should be forwarded to the Head of Democratic Services. Unless these certificates are received there has to be a deduction full Class 1 contributions.

8.6 National insurance contributions are assessed on a monthly basis. Allowances must be treated separately from any other income received from any other employment or business.

### **Benefits**

8.7 Full details of the benefits which are receivable by contributors to the state pension scheme can be found in D.S.S. leaflet FB1 "*Family Benefits and Pensions*" which is a regularly revised outline guide to all national pensions and other social security benefits.

### **Statutory Sick Pay**

8.8 Employers are responsible for paying statutory sick pay (SSP) to their employees for up to 28 weeks of sickness absence in a tax year, on behalf of the DFSSH.

8.9 For the purposes of this scheme councillors are generally classed as employees.

8.10 If you are sick for four days or more and are unable to attend council meetings you should contact payroll and ask for a self-certification form.

8.11 A doctor's medical certificate must be supplied to payroll services for sickness absences which are for eight days and above in addition to the self-certificate.

8.12 SSP may be payable to you as a councillor even if you are receiving SSP payments from another employer. Please see advice as appropriate. Any payments made will be processed through the payroll system.

8.13 Some exclusions from SSP payments are:

- a) an employee whose average basic and special responsibility allowances paid over the previous two months are less than the lower monthly earnings limit for National Insurance contribution liability. (As stated in appendix 1 this can only relate to councillors who forego their allowances);
- b) an employee who has received certain state benefits in the previous eight weeks (this includes maternity benefit).

### **Submission of Claims**

8.14 Claims forms may be obtained from Democratic Services. Alternatively it may be downloaded from the Members webpage on the Intranet.

8.15 City council payroll staff are not permitted to make out a councillors / co-optees claim but will be pleased to give assistance and advice. There is also an obligation on councillors / co-optees to complete the forms in accordance with statutory requirements which include **in particular the full description of approved duties.**

### **Resolving doubts about approved duty**

8.16 Councillors are asked **not** to make claims for any duty or function where there may be doubts as to whether it is an *approved duty*. In the case of any difficulty of interpretation, councillors should refer to the Head of Law or the Head of Democratic Services.

## **9 Method of Payment**

9.1 Payments for councillors basic, special responsibility and co-optee Allowances will be made automatically on the **last working day of each month** (no claims will be necessary).

9.2 Claims for all other allowances should be made within **two months** of the date on which the approved duty was carried out. Payments will be made monthly when claims are received.

9.3 Payment will be made by Credit Transfer - direct payment into the councillors' / co-optees' bank account / building society account.

9.4 Payment will generally be credited to these accounts on the **last working day of each month**. A pay advice slip will be sent to each councillor/ co-optee.

9.5 Councillors / co-optees should inform payroll services of the bank or building society details including personal account number on the *method of pay* form which the payroll team will supply.

## **10 Co-optee's Allowance**

10.1 The two Independent Members of the Audit & Standards Committee shall receive a Co-optees' Allowance of £1,010 as specified in Schedule 1 to this Scheme.

10.2 In addition to the co-optees' allowance specified in paragraph 10.1, a payment of £200 shall be paid to the Independent Member of the Audit & Standards Committee for each Standards Hearing Panel that they Chair.

## **11 Withholding of allowances**

11.1 Where payment of any allowance is due or has already been made in respect of any period during which the member concerned;

(a) ceases to be a member of the authority; or

(b) is in any other way not entitled to receive the allowance in respect of that period,

the authority may withhold the payment of an allowance for that period or, as the case may be, require that such part of the allowance already paid as relates to any such period be repaid to the authority.

11.2 The term "member" in this paragraph covers both councillors and co-opted members.

## **12 Renunciation**

12.1 A councillor or a co-opted member may by notice in writing given to the Responsible Finance Officer and Head of Democratic Services elect to forego any part of his/her entitlement to an allowance under this Scheme.

## **13 Part-Year Entitlement**

13.1 Subject to paragraph 13.7, the provisions of this paragraph shall have effect to regulate the entitlements of a councillor to Basic and Special Responsibility Allowances where, in the course of a year, this Scheme is amended or that councillor becomes, or ceases to be a councillor, or accepts or relinquishes a special responsibility in respect of which a Special Responsibility Allowance is payable.

13.2 If an amendment to this Scheme changes the amount to which a councillor is entitled by way of a Basic Allowance or a Special Responsibility Allowance, then in relation to each of the periods:

(a) beginning with the year and ending with the day before that on which the first amendment in that year takes effect; or

- (b) beginning with the day on which an amendment takes effect and ending with the day before that on which the next amendment takes effect, or (if none) with the year,

the entitlement to such an allowance shall be to the payment of such part of the amount of the allowance under this Scheme as it has effect during the relevant period as bears to the whole the same proportion as the number of days in the period bears to the number of days in the year.

- 13.3 Where the term of office of a councillor begins or ends otherwise than at the beginning or end of a year, the entitlement of that councillor to a Basic Allowance shall be to the payment to such part of the Basic Allowance as bears to the whole the same proportion as the number of days during which his term of office subsists bears to the number of days in that year.
- 13.4 Where the Scheme is amended as mentioned in sub-paragraph 13.2, and the term of office of a councillor does not subsist throughout the period mentioned in sub-paragraph 13.2(a), the entitlement of any such councillor to a Basic Allowance shall be to the payment of such part of the Basic Allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days during which his term of office as a councillor subsists bears to the number of days in that period.
- 13.5 Where a councillor has during part of, but not throughout, a year such special responsibilities as entitle him or her to a Special Responsibility Allowance, that councillor's entitlement shall be to payment of such part of that allowance as bears to the whole the same proportion as the number of days during which he or she has such special responsibilities bears to the number of days in that year.
- 13.6 Where this Scheme is amended as mentioned in sub-paragraph 13.2, and a councillor has during part, but does not have throughout the whole, of any period mentioned in sub-paragraph 13.2(a) of that paragraph any special responsibilities as entitle him or her to a Special Responsibility Allowance, that councillor's entitlement shall be to payment of such part of the allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days in that period during which he or she has such special responsibilities bears to the number of days in that period.
- 13.7 The provisions of this paragraph, subject to necessary modifications, shall apply to Co-optees' Allowances as if the reference to a "Member" included a co-opted member.

## **14 Claims and Payments**

- 14.1 Payments shall be made in respect of Basic and Special Responsibility Allowances, subject to sub-paragraph 13.2, in instalments of one-twelfth of the amount specified in this Scheme on the last day of each month (or the last working day before that day if it is not a working day).
- 14.2 Where a payment of one-twelfth of the amount specified in this Scheme in respect of a Basic Allowance or a Special Responsibility Allowance would result in the councillor receiving more than the amount to which, by virtue of paragraph 13.6, he or she is entitled, the payment shall be restricted to such amount as will ensure that no more is paid than the amount to which he or she is entitled.

14.3 The provisions of this paragraph shall apply to Co-optees' Allowances in the same way as they apply to Basic and Special Responsibility Allowances.

*This Scheme was approved by Full Council at its meeting on 23 October 2014 and takes effect from 21 May 2015 unless stated otherwise.*





## **RATES - 2015 / 2016**

**The maximum rates that can be reimbursed are currently as follows:**

### **BASIC COUNCILLORS ALLOWANCE**

£11,762 per annum

### **CO-OPTEE'S ALLOWANCE:**

£1,010 per annum – Independent Member of Audit & Standards Committee  
Plus £200 per Standards Panel chaired

### **TRAVELLING ALLOWANCES**

(Outside of Brighton and Hove)

Car 45 pence per mile  
Supplement 5p per mile for each  
passenger, with a maximum of 4  
Motorcycle 24p per mile  
Bicycle 20 pence per mile

### **CHILD / DEPENDANT CARE ALLOWANCE**

Paid as per the living wage  
on submitted receipts

The basic and Special Responsibility Allowance (SRA) rates will be effective from May 2015 and subject to future increases based on the council's rate of salary inflation.



# SCHEDULE 1

## Brighton & Hove Members Allowances Scheme

### Special Responsibility Allowances

<b>Responsibility</b>	<b>SRA (£)</b>
Leader of the Council*	31,200
Deputy Leader of the Council**	21,840
<b>Chairs of Policy Committees</b>	
Policy & Resources*	10,920
Children & Young People**	10,920
Economic Development & Culture**	10,920
Environment, Transport & Sustainability**	10,920
Housing**	10,920
<b>Chairs of Regulatory Committees</b>	
Planning	11,856
Licensing (dual role)	11,856
Audit & Standards	6,240
<b>Chairs of Overview &amp; Scrutiny Committees</b>	
Overview & Scrutiny	6,240
Health & Wellbeing OSC	6,240
<b>Deputy Chairs of Regulatory Committees</b>	
Planning	3,900
Licensing (dual role)	3,900
<b>Deputy Chairs of Policy Committees</b>	
Children & Young People	2,184
Economic Development & Culture	2,184
Environment, Transport & Sustainability	2,184
Housing	2,184
<b>Other positions of additional responsibility</b>	
Deputy Chair of Policy & Resources (with responsibility for Finance)	9,360
Lead Member for Adult Care & Health	9,360
Leader of the Opposition Group	10,920
Deputy Leader of the Opposition Group	6,240
Leader of a Minority Group	6,240

**Note :**

- The payment of allowances to the Leader and Deputy Leader assumes the following:
  - The Leader of the Council will Chair the Policy & Resources Committee; and
  - The Deputy Leader will Chair one of the Policy Committees.
- Only one Deputy Leader of the Council and One Deputy Leader of the Opposition have been included in the Members' Allowances Scheme as being attributable for the payment of an SRA.
- The remits and responsibilities of the Chairs of the two Overview & Scrutiny Committees may change without requiring amendment to the Members' Allowances Scheme.
- Where a councillor holds more than one position of Special Responsibility, only one Special Responsibility Allowance shall be paid and this is the higher or the highest of the relevant allowances.
- Where there are any changes to any role listed as attracting a special responsibility allowance under the scheme, and the revised role is substantially the same as the previous role in terms of the nature or level of responsibility, the special responsibility allowance shall continue to apply to the new role. This is subject to the Independent Remuneration Panel being consulted and agreeing that it is substantially the same role.

### **Co-optee's Allowances**

Independent Member of Audit & Standards Committee (x2)	1,010
Independent Member of Audit & Standards Committee (serving as the Chair of a Standards Hearing Panel)	200

*Special Responsibility Allowances and Co-optees' Allowances are payable from 21 May 2015.*

## **SCHEDULE 2**

### **Brighton & Hove Members Allowances Scheme**

#### **Approved Duties**

Brighton & Hove City Council specifies the following as approved duties for the purpose of the payment of Travel, Subsistence and Dependants' Carers' Allowances.

1. Attendance at :
  - (a) The council, or any of its committees and sub-committees.
  - (b) The bodies to which the council makes appointments or nominations at either Annual Council or Policy & Resources Committee including any committee or sub-committee of such a body.
  - (c) The following meetings, the holding of which is authorised by the council, or any of its committees or sub-committees, or by any joint committee (or sub-committee thereof) of the council and any other authority, provided that it is a meeting to which councillors of at least two political groups of the council have been invited:
    - i) Meetings of the council's formally established consultative fora and partnerships, scrutiny review panels and select committees.
    - ii) Meetings with outside bodies in pursuit of economic development objectives which have been authorised by the council, or any of its committees or sub-committees.
    - iii) Councillors' tours of the authority's area which have been authorised by the council, or any of its committees or sub-committees.
    - iv) Internal training sessions organised and facilitated by officers of the council for the induction of councillors or for the better performance of their duties and responsibilities or to enable better understanding of the council's functions.
2. The following meetings of associations of authorities of which this authority is a member:

The Local Government Association and its committees
3. Any other duty, or class of duty approved by any committee, or officer of the council acting under delegated powers, such duty or class of duty to be for the purposes of or in connection with the discharge of the functions of the council, or its committees or sub-committees.

Payments in respect of the above approved duties shall be paid in accordance with the following rates:

## A. Travel and Subsistence Allowance

### Public Transport

Actual standard class rail fares (first class travel will only be reimbursed with prior agreement where councillors have to work on the journey).

Long distance travel undertaken by car will be reimbursed at the rail fare rate where this is a cheaper option.

Councillors purchasing their own rail tickets should provide their receipt or ticket when claiming reimbursement.

For local travel councillors may choose:

#### Either

- (a) an annual saver ticket valid for Brighton & Hove buses where bus fares would otherwise be payable (bus travel is free for those aged 60 and over travelling after 9.00am and the disabled),

#### Or

- (b) a combination of reimbursement of cycle mileage and (ticketed) bus travel

#### Or

- (c) reimbursement of cycle mileage and passes to the Lanes and Hove Town Hall Car Parks

### Mileage Allowances

Motor mileage for attendance at approved council duties is payable for travel **outside** the city boundaries only, except in exceptional circumstances where the use of taxis/personal transport shall be permitted with the agreement of the Monitoring Officer for example by Members who have a disability or injury, or former mayors undertaking mayoral duties on behalf of the Mayor. Taxis may also be claimed in cases of urgency, meetings outside normal working hours (8.30am-6.30pm) or where there is no public transport available. Receipts must be provided. Motor mileage within the city's boundaries is deemed to be covered by the Basic Allowance.

All mileage is paid at Inland Revenue advisory rates and these will automatically be updated by the council to reflect any changes the Inland Revenue introduces. The current rates are -

<b>Cars</b>	45p per mile
<b>Supplement for Passengers</b>	5p per mile for each official passenger, up to a maximum of 4 passengers
<b>Motor Cycle Allowance</b>	24p per mile
<b>Cycle Allowance</b>	20p per mile

In addition, those Members opting for either (b) or (c) above may also take advantage of either the council's Bike Loan Scheme or the new Tax-free Bike Scheme and they will have access to the showering and secure lock-up facilities at three sites across the city.

### **Day Subsistence**

Subsistence for approved council duties is payable for attendances **outside** the city boundaries only, except in exceptional circumstances. Where refreshments are not provided, subsistence costs within the city's boundaries are deemed to be covered by the Basic Allowance. Where claims can be made, eligibility is based on the time of day meals are taken and time away from home, as follows: -

Breakfast allowance	-	more than four hours' absence before 11.00am	£6.50
Lunch allowance	-	more than four hours' absence including 12 noon – 2.00pm	£8.50
Tea allowance	-	more than four hours' absence including 3.00pm – 6.00pm	£3.50
Evening Meal allowance	-	more than four hours' absence ending after 7.00pm	£15.00

**Receipts should be provided for all subsistence claimed.**

### **Overnight Subsistence**

Where an overnight stay is required, overnight subsistence may be claimed up to a maximum of:

London/Conference Rate	not exceeding	£114.00
Standard Rate	not exceeding	£100.00

The above sums are for all subsistence received over a 24-hour period.

### **Meals on Trains**

When main meals are taken on trains during a period for which there is an entitlement to day subsistence, the reasonable cost of the meals (including VAT) may be reimbursed in full, within the limits specified below. Where the cost of meals taken on trains is reimbursed, the rate of day subsistence allowance for that period of duty shall not exceed the maximum payable if the period of absence from the usual place of residence were reduced by four hours in respect of each meal taken.

The limitations on reimbursement are:

- (i) Absence of more than four but not more than eight hours, the cost of one main meal.
- (ii) Absence of more than eight hours but not more than 12 hours, the cost of two main meals.
- (iii) Absence of more than 12 hours, the cost of three main meals.

Where the cost of meals taken on trains is reimbursed, the rate of day subsistence for that period of duty shall not exceed the maximum payable if the period of absence from the usual place of residence were reduced by 4 hours in respect of each meal taken.

NOTE:

1. The council will not reimburse the cost of any alcohol purchased.
2. With effect from 1 September 2007 motor mileage within the authority's boundaries can only be claimed in exceptional circumstances and councillors should either use the bus or cycle within the city.
3. With effect from 1 September 2007 subsistence within the authority's boundaries can only be claimed in exceptional circumstances.

*Car mileage rates were revised from 1 April 2011.*

*All other travel and subsistence rates apply from 28 November 2003 and these have been re-affirmed by Full Council on 21 October 2011 and 23 October 2014.*

## **B. Dependants' Carers' Allowance**

Dependants' Carers' Allowance (for children and adult dependants) may be paid retrospectively to either councillor or care provider when a councillor attends any of the approved duties identified in Schedule 2 to this Scheme and incurs costs for care provision.

This claims-based scheme is subject to tax and national insurance deductions at personal rates (liability falling to whoever receives the payment).

### Childcare

Eligible councillors may claim no more than the actual amount paid for childcare provision, up to a maximum of £7.65 per hour for each child, provided that the appropriate form is completed and the relevant receipts are attached.

Up to a total of one hour travelling time may be added to the claim (where applicable) to enable the councillor to travel to and from meetings, provided the child/children remain with the carer for the duration.

Childcare costs may be claimed for children until the Saturday following the 1 September after their 15<sup>th</sup> birthday in line with the government's eligibility criteria for Working Tax Credits.

The restriction on the use of household members for caring (family and otherwise) applies as a matter of good practice in line with other local authorities.

The minimum age for any carer should be 18 years.

The annual cap for childcare is set at £1,500 pa per councillor.



## Dependant Care

This allowance is payable for both children with severe disabilities and also dependent adult relatives living in the councillor's home and for whom the councillor is directly responsible. It applies to the care of dependants on social or medical grounds.

Eligible councillors may claim no more than the actual amount paid for specialist dependant care up to a maximum of £7.65 per hour, provided the appropriate form is completed and the relevant receipts are attached.

Up to a total of one hour travelling time may be added to the claim (where applicable) to enable the councillor to travel to and from meetings, provided the dependant remains with the carer for the duration.

The minimum age for any carer should be 18 years.

The annual cap for dependant care is set at £1,500 pa per councillor.

*The Dependants' Carers' Allowance was revised at Full Council on 23 October 2014.*



## SCHEDULE 3

### Brighton & Hove Members Allowances Scheme

#### Other Allowances

*NB These allowances which do not form part of the Members' Allowances Scheme are included here for information only:*

#### Mayoral Allowances

Mayor's Allowance for 2015/16 £12,698 pa

Deputy Mayor's Allowance for 2013/14 £ 3,554 pa

*The Mayoral Allowances were approved by Full Council on 23 October 2014 and will be uplifted by the council's salary inflation each year, following the recommendations of the Independent Remuneration Panel, and subject to any future review by the Panel.*

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Payments to Former Mayors £35 per  
duty

*This is currently a flat rate allowance which is not subject to inflationary increases, although it is subject to further review as required by the Independent Remuneration Panel.*

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#### Independent Remuneration Panel

Members of the Independent Remuneration Panel (4) £533 pa each

*The IRP' Allowance was revised at Full Council on 23 October 2014 to be effective from 21 May 2015.*



<b>Subject:</b>	<b>Amendments to the Scheme of Delegations to Officers</b>		
<b>Date of Meeting:</b>	<b>16 October 2014</b>		
<b>Report of:</b>	<b>Head of Law and Monitoring Officer</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Abraham Ghebre-Ghiorghis</b>	<b>Tel: 291500</b>
	<b>Email:</b>	<a href="mailto:abraham.ghebre-ghiorghis@brighton-hove.gov.uk">abraham.ghebre-ghiorghis@brighton-hove.gov.uk</a>	
<b>Ward(s) affected:</b>	<b>All</b>		

## **FOR GENERAL RELEASE**

### **1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The purpose of this report is to seek authority to amend the scheme of delegations to Officers to ensure better co-ordinated, efficient delivery of services resulting in better outcomes.

### **2. RECOMMENDATIONS**

- 2.1 That Members agree the changes to the scheme of delegations to Officers as set out in paragraphs 3.3 to 3.9.2 inclusive below;
- 2.2 That Members authorise the Chief Executive to take any steps necessary or incidental to the implementation of the proposals, including, where necessary, making transitional arrangements.
- 2.3 That the Head of Law and Monitoring Officer be authorised to make any necessary or consequential changes to the constitution to reflect the above.
- 2.4 That, subject to any transitional arrangements that the Chief executive considers appropriate, the proposed arrangements come into force with immediate effect except those relating to sport development, which shall come into force on 1<sup>st</sup> April 2015 subject to the Chief Executive being satisfied having regard to the outcome of the consultation with staff.

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

- 3.1 The Council's constitution, including the scheme of delegations to Officers, is intended to be a living document updated from time to time to reflect the needs of the organisation, changes in the law as well as to ensure effective and efficient arrangements for the discharge of Council functions. The Chief Executive and the Monitoring Officer are tasked by the articles of the constitution to keep the constitution under review and make recommendations for change or improvement as appropriate.

3.2 Having regard to the above requirements, and having undertaken a review of the current arrangements so far as they relate to Officer delegations, it is proposed that the scheme of delegations to officers be amended as set out in the following paragraphs.

### **3.3 Determination of applications for registering assets of community value**

3.3.1 The Localism Act 2011 requires the Council to register land as an asset of community value if it is satisfied that it contributes to the social wellbeing of the local community. This power is currently delegated to the Executive Director of Finance & Resources. In practice, most of the information and knowledge necessary to determine such applications is held with the Planning Team and the approach adopted by the Act is more closely related to planning rather than property management. It is therefore proposed that the function of dealing with applications under the Act be transferred to the Executive Director of Environment, Development and Housing. In terms of the actual process, it is proposed that the Head of Development Control be authorised to make the initial determination with an appeal being heard by the Head of Planning and Public Protection.

### **3.4 Delegation of Powers to determine reserved matters on major planning applications**

3.4.1 Under existing arrangements, when an outline planning application is granted, all reserved matters are delegated to Officers. This has caused some concern when it comes to major applications which have significant implications. Following the recommendations of the cross-party working group on planning, it is recommended that all reserved matters relating to major applications are reserved to the Planning Committee unless the Planning Committee authorise Officers to determine such matters.

### **3.5 General delegations to award contracts**

3.5.1 Under the Openness of Public Bodies Regulations 2014, officer decisions made under express authorisation from a committee ( as opposed to the general authority granted under the scheme of delegations) are required to be recorded and published with the record having to be kept for 6 years and any background documents for 4 years for public inspection. To minimise the number of records that have to be kept, it is proposed that the scheme of delegations to Officers be amended to give all Chief Officers (i.e, members of Executive Leadership Team) delegated powers to award a contract provided the principle of entering into the contract with a named party or, as the case may be, following competitive tendering or some other process identified by the committee is agreed.

### **3.6 “Proper Officer” designations**

3.6.1 The Openness of Local Government Bodies Regulations 2014 provide exemptions from the requirement to record decisions where the matter under consideration is, in the opinion of the “Proper Officer,” exempt. Under the Council’s constitution, the Proper Officer for determining whether reports should be exempt is the Monitoring Officer. Although this works well in the context of committee decisions, is impractical and disproportionate when applied to

recording officer decisions. It is therefore proposed that all Chief Officers (Members of the Executive Leadership Team) be designated Proper Officers for the purposes of determining whether the matter is exempt within the definition of schedule 12A of the Local Government Act 1972.

### **3.7 Sports Development**

3.7.1 The transfer of public health to local authorities has opened up the possibility of delivering related services together in a more co-ordinated way that maximises their effectiveness and delivers better outcomes. For example, Environmental Health and Licensing and Community Safety are such functions which now form part of the Public Health Directorate. One service area that could benefit from such arrangement is sports development. With physical activity increasingly being a key part of improving public health, there are synergies between what is involved in sports development and public health. It is therefore proposed that this function transfers to the Public Health Directorate. In terms of timing, there is consultation with affected staff taking place at the moment. It is therefore proposed that this function is transferred to Public Health with effect from 1<sup>st</sup> April 2015 subject to the outcome of the consultation.

### **3.8 Hostels and Housing-Related Support**

3.8.1 There has been an increasing concern regarding the corporate risk arising from a growth in the number of vulnerable adults in the city presenting with complex physical and mental health needs along with substance misuse and anti-social behaviour. When hostel accommodation provided by the Council was established, it was not set up to deal with the levels of vulnerability and complexity that have become increasingly common among individuals accommodated in Council run hostels. In order to minimise the risk, interim arrangements were put in place to bolster the management oversight from social care professionals and improve health support to our hostel teams who in recent months have had to deal with the deaths of vulnerable adults in our hostels. As the nature of support, oversight and co-ordination needed to run such establishments has changed because of the needs of the client group, it is proposed that the management of hostels for vulnerable adults be moved from the Executive Director of Environment, Development & Housing to the Executive Director of Adult Social Care.

3.8.2 In addition, the Council has continued to run a 'Supporting People' programme from a Housing Services commissioning team. This programme has focused on housing related support to adults. It has become increasingly apparent that the health and social care needs of those seeking housing support has escalated beyond that for which the programme was originally designed. There is no ring fence attached to the funding for Supporting People programmes. This has been the case since 2010 when it became part of the normal discretionary council spend. The current 4 year programme comes to an end in the spring of 2015. Given current government policy to integrate health, mental health and social care within local authority areas, there is an opportunity to align and integrate supporting people services to meet the objectives of the 'Better Care' fund.

3.8.3 There is also duplication in how we are commissioning, contracting with and contract managing organisations who might have multiple contracts and reporting arrangements. To enable a more integrated, outcome-focussed approach, it is proposed that the housing related support function is shared between the Executive Director of Adult Social Care (who will act as the overall Lead Director responsible for co-ordinated commissioning and management of associated funds) and the Executive Director for Environment, Development & Housing who will have concurrent delegated powers so as to be able to discharge parts of the housing related support function which are better delivered as part of Housing. It is proposed that the Executive Director of Children's Services be given delegated function to deal with housing related support to children. These Officers, together with the Director of Public Health, will exercise their housing related support functions in accordance with any instructions of the Chief Executive given from time to time.

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

4.1 The Council has the option of leaving the constitution unamended. However, this carries the risk that some of the provisions are out of date. The arrangements regarding hostels and housing related support also leave the Council exposed to potential risk arising from the vulnerability of the client group as well as failing to maximise the potential benefit from a joined up commissioning approach between what has so far been dealt with in separate directorates.

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

5.1 Officers in the services affected are being consulted as well as relevant Lead Members. Their views have been taken into account in preparing the report.

#### **6. CONCLUSION**

6.1 The proposals in this report will contribute to an improvement in the arrangements for the discharge of Council functions by locating services where they are better placed to deliver improved outcomes, by minimising legal risks and generally increase efficiency.

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

##### Financial Implications:

7.1 If the transfer of services outlined above are approved the transfer of the relevant budgets will follow this decision and be reflected in the councils budget monitoring framework in line with financial regulations

*Finance Officer Consulted: James Hengeveld*

*Date: 2/10/2014*

##### Legal Implications:

7.2 Under the Council's constitution, any amendment to the scheme of delegations to Officers needs to be approved by the Policy & Resources Committee. All the proposals in the report are consistent with the Council's legal powers and will enhance compliance with relevant legislation



*Lawyer Consulted:* Abraham Ghebre-Ghiorghis *Date:* 18.09.2014

Equalities Implications:

7.3 There are no adverse equalities implications arising from this report

Sustainability Implications:

7.4 This report deals with internal officer arrangements and does not have any sustainability implications.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Amended delegations to the Executive Director of Adult Social Services

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

1. None

### **Background Documents**

1. None.

<b>Subject:</b>	<b>Targeted Budget Management (TBM) 2014/15 Month 5</b>		
<b>Date:</b>	<b>16 October 2014</b>		
<b>Report of:</b>	<b>Executive Director of Finance &amp; Resources</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Jeff Coates</b>	<b>Tel:</b> 29-2364
	<b>Email:</b>	<b>jeff.coates@brighton-hove.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1 SUMMARY AND POLICY CONTEXT:**

- 1.1 The Targeted Budget Monitoring (TBM) report is a key component of the council's overall performance monitoring and control framework. This report sets out the forecast outturn position as at Month 5 on the council's revenue and capital budgets for the financial year 2014/15.
- 1.2 The TBM Month 2 early forecast indicated significant potential pressures and forecast overspending. Month 5 shows only a small improvement to the position overall as we approach the mid-point of the year and there remain significant pressures and forecast risks to manage across the General Fund Revenue Budget.

**2 RECOMMENDATIONS:**

- 2.1 That the Committee note the forecast outturn position for the General Fund, which is an overspend of £5.219m. This consists of £5.019m on council controlled budgets and £0.200m on the council's share of the NHS managed Section 75 services.
- 2.2 That the Committee note that there is a further £1.890m of as yet unallocated risk provision that could be used to mitigate against this overspend.
- 2.3 That the Committee note the forecast outturn for the Housing Revenue Account (HRA), which is an underspend of £0.247m.
- 2.4 That the Committee note the forecast outturn position for the Dedicated Schools Grant which is an underspend of £0.548m.
- 2.5 That the Committee note the forecast outturn position on the capital programme.
- 2.6 That the Committee approve the capital programme variations and reprofiles in Appendix 3 and new capital schemes in Appendix 4 (excluding the Dorothy Stringer all weather pitch).
- 2.7 That the Committee delegate authority to the Executive Director of Finance & Resources to approve the Dorothy Stringer all weather pitch capital scheme, subject to seeking further assurance on the detail of the business case.

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

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

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

#### General Fund Revenue Budget Performance (Appendix 1)

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

Forecast Variance Month 2 £'000	Directorate	2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
1,935	Children's Services	57,629	58,855	1,226	2.1%
3,269	Adult Services	62,420	66,173	3,753	6.0%
(226)	Environment, Development & Housing	43,078	43,202	124	0.3%
119	Assistant Chief Executive	17,370	17,580	210	1.2%
47	Public Health (incl. Community Safety & Public Protection)	4,567	4,567	0	0.0%
49	Finance, Resources & Law	31,733	31,291	(442)	-1.4%
5,193	Sub Total	216,797	221,668	4,871	2.2%
158	Corporate Budgets	3,432	3,580	148	-4.3%
5,351	Total Council Controlled Budgets	220,229	225,248	5,019	2.3%

- 3.4 The General Fund includes general council services, corporate budgets and central support services. Corporate budgets include centrally held provisions and budgets (e.g.

insurance) as well as some cross-cutting value for money savings targets. General Fund services are accounted for separately to the Housing Revenue Account (Council Housing). Although part of the General Fund, financial information for the Dedicated Schools Grant is shown separately as this is ring-fenced to education provision (i.e. Schools).

### Corporate Critical Budgets

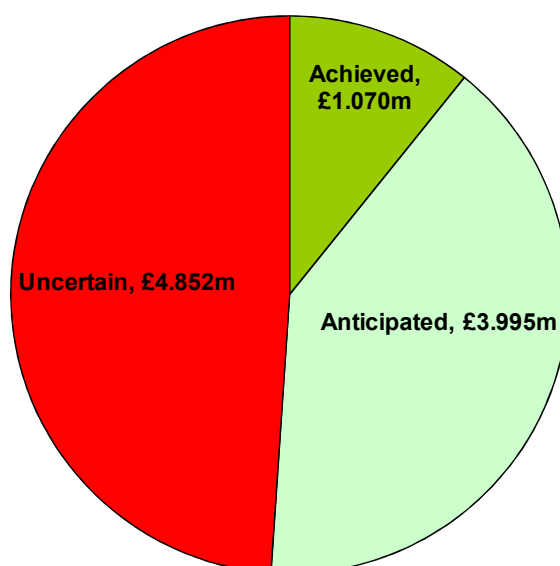
- 3.5 There are a number of budgets that carry potentially higher financial risks and therefore could have a material impact on the council's overall financial position. These are significant budgets where demand or activity is difficult to predict and where relatively small changes in demand can have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

Forecast Variance Month 2 £'000	<b>Corporate Critical</b>	2014/15 Budget Month 5 £'000	Provisional Outturn Month 5 £'000	Provisional Variance Month 5 £'000	Provisional Variance Month 5 %
1,790	Child Agency & In House	19,578	21,188	1,610	8.2%
2,254	Community Care	41,182	43,634	2,452	6.0%
(370)	Sustainable Transport	(16,245)	(16,605)	(360)	-2.2%
(228)	Temporary Accommodation	1,592	1,365	(227)	-14.3%
0	Housing Benefits	(613)	(1,098)	(485)	-79.1%
3,446	Total Council Controlled	45,494	48,484	2,990	6.6%

### Value for Money (VfM) Programme (Appendix 2)

- 3.6 Policy & Resources Committee received a report on the next stage of the council's Value for Money Programme (Phase 4) at the committee's June meeting. The savings and resources attached to Phase 4 for future years are being refined as part of the budget setting process although some part-year savings are expected in 2014/15. In the meantime, current Phase 3 VfM projects will continue with the savings targets identified and approved by Council as part of the 2014/15 budget.
- 3.7 VfM projects generally carry significant risks and may need specialist advice or skills that can be in short supply or they may need to navigate complex procurement or legal processes. Therefore, each month the TBM report quantifies progress in terms of those savings that have been achieved, those that are anticipated to be achieved (i.e. low risk) and those that remain uncertain (i.e. higher risk). The chart below shows that there is considerable risk at present in relation to social care related VfM workstreams. More detail is provided in Appendix 2.

Value for Money Programme (All Phases) - 2014/15 Monitoring



VfM Target 2014/15 = £9.917m

### Housing Revenue Account Performance (Appendix 1)

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

Forecast Variance Month 2 £'000		2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
(29)	<b>HRA</b> Expenditure	58,941	58,685	(256)	-0.4%
-	Income	(58,941)	(58,932)	9	0.0%
(29)	Total	-	(247)	(247)	

### Dedicated Schools Grant Performance (Appendix 1)

- 3.9 The Dedicated Schools Grant (DSG) is a ring-fenced grant which can only be used to fund expenditure on the schools budget. The schools budget includes elements for a range of services provided on an authority-wide basis including Early Years education provided by the Private, Voluntary and Independent (PVI) sector, and the Individual Schools Budget (ISB) which is divided into a budget share for each maintained school. The current forecast is an underspend of £0.548m and more details are provided in

Appendix 1. Under the Schools Finance Regulations any underspend must be carried forward to support the schools budget in future years.

### NHS Managed S75 Partnership Performance (Appendix 1)

- 3.10 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.
- 3.11 These partnerships are subject to separate annual risk-sharing arrangements and the monitoring of financial performance is the responsibility of the respective host NHS Trust provider. Risk-sharing arrangements can result in financial implications for the council should a partnership be underspent or overspent at year-end and hence the performance of the partnerships is reported as a memorandum item under TBM throughout the year.

Month 2 Forecast Variance £'000		2014/15 Budget Month5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
180	<b>Section 75</b> NHS Trust managed S75 Services	11,769	11,969	200	1.7%

### Capital Programme Performance and Changes

- 3.12 The table below provides a summary of capital programme performance by Directorate and shows that there is an overall overspend of £0.332m forecasted at this stage.

Forecast Variance Month 2 £'000		2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	<b>Capital Budgets</b>				
0	Children's Services	19,969	19,969	0	0.0%
0	Adult Services	628	628	0	0.0%
0	Environment, Development & Housing - General Fund	23,299	23,299	0	0.0%
0	Environment, Development & Housing - HRA	31,769	32,101	332	1.0%
0	Assistant Chief Executive	17,996	17,996	0	0.0%
0	Public Health	447	447	0	0.0%
0	Finance, Resources & Law	9,778	9,778	0	0.0%
0	Corporate Services	25	25	0	0.0%
0	<b>Total Capital</b>	<b>103,911</b>	<b>104,243</b>	<b>332</b>	<b>0.3%</b>

- 3.13 Appendix 3 shows the changes to the budget and Appendix 4 provides details of new schemes to be added to the capital programme which are included in the budget figures above. Policy & Resources Committee's approval for these

changes is required under the council's Financial Regulations. The following table shows the movement in the capital budget since approval in the Month 2 report.

<b>Capital Budget Summary</b>	2014/15 Budget £'000
Budget Approved at Month 2	103,019
Reported at other Policy & Resources committees since Month 2	120
New schemes to be approved in this report (see Appendix 4)	3,634
Variations (to be approved – see Appendix 3)	(115)
Reprofiles (to be approved - see Appendix 3)	(1,068)
Slippage (to be approved)	(1,679)
<b>Total Capital Budget</b>	<b>103,911</b>

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

- 3.14 The council's MTFS sets out resource assumptions and projections over a longer term. It is periodically updated including a major annual update which is included in the annual revenue budget report to Policy & Resources Committee and Full Council. This section highlights any potential implications for the current MTFS arising from in-year TBM monitoring above and details any changes to financial risks together with any impact on associated risk provisions, reserves and contingencies. Details of Capital Receipts and Collection Fund performance are also given below because of their potential impact on future resources.
- 3.15 Details of risk provisions currently held are given in the Corporate Budgets section of Appendix 1. At this stage of the year no further risk provisions are recommended to be deployed as mitigating actions and recovery plans need to be implemented before re-assessing the financial position and the level of forecast risk.

#### Capital Receipts Performance

- 3.16 Capital receipts are used to support the capital programme. Any changes to the level of receipts during the year will impact on future years' capital programmes and may impact on the level of future investment for corporate funds and projects such as the Strategic Investment Fund, Asset Management Fund, ICT Fund and the Workstyles VFM projects. The planned profile of capital receipts for 2014/15, as at Month 05, is £7.208m against which there have been receipts of £0.705 in relation to the disposal of 18 Market Street, a deposit for the Preston Barracks project, a number of minor lease extensions at the Marina and the repayment of improvement grants.
- 3.17 The forecast for the 'right to buy sales' 2014/15 (after allowable costs, repayment of housing debt and forecast receipt to central government) is that an estimated 60 homes will be sold with a maximum useable receipt of £0.474m to fund the corporate capital programme and net retained receipts of £2.727m are available to re-invest in replacement homes. To date 18 homes have been sold in 2014/15.



## Collection Fund Performance

- 3.18 The collection fund is a separate account for transactions in relation to council tax and business rates. Any deficit or surplus forecast on the collection fund relating to council tax is distributed between the council, Sussex Police and East Sussex Fire Authority whereas any forecast deficit or surplus relating to business rates is shared between, the council, government and East Sussex Fire Authority.
- 3.19 The collection fund surplus position at 31st March 2014 on council tax was £1.925m and the council's share of this was £1.644m. This was £0.243m lower than anticipated when setting the 2014/15 budget. This shortfall will need to be taken into account in estimating any deficit or surplus during 2014/15. At this stage of the year it is too early to predict any trends or changes in collection fund performance but at this stage a year end break even position is assumed.
- 3.20 The council's share of the surplus on the collection fund for business rates at 31 March 2014 was £1.590m after taking into account the repayment of Safety Net Grant. These resources will be available when setting the 2015/16 budget. The 2014/15 business rates income assumption included projected growth of 0.5% in rateable value as well as a further 1.0% increase through a review of the register. On the basis of the information available so far in this financial year the position is in line with expectations. However this remains a difficult area to predict with great certainty.

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

- 4.1 The provisional outturn position on council controlled budgets is an overspend of £5.019m. In addition, the council's share of the forecast overspend on NHS managed Section 75 services is £0.200m. Any overspend at the year end will need to be funded from general reserves which would then need to be replenished to ensure that the working balance did not remain below £9.000m. Any underspend would release one off resources that can be used to aid budget planning for 2014/15.

## **5 COMMUNITY ENGAGEMENT AND CONSULTATION**

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

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

- 6.1 The Month 5 position does show a significant level of forecast financial risk that must be urgently attended to, particularly in relation to Adult Social Care and Children's Services. The trends on the corporate critical budgets for Community Care and for Looked After Children continue to give cause for concern. While there are some mitigating actions and recovery plans in place it is not clear that these will make sufficient impact on the forecast risk to ensure a breakeven position at year end.
- 6.2 The Executive Leadership Team (ELT) will keep the position under close scrutiny and will take appropriate action to reduce spending, manage vacancies and develop financial recovery plans where necessary.

## 7 FINANCIAL & OTHER IMPLICATIONS:

### Financial Implications:

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

*Finance Officer Consulted: Jeff Coates*

*Date: 22/09/2014*

### Legal Implications:

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

*Lawyer Consulted: Oliver Dixon*

*Date: 22/09/2014*

### Equalities Implications:

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

### Sustainability Implications:

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

### Risk and Opportunity Management Implications:

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

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Revenue Budget Performance
2. Value for Money Programme Performance
3. Capital Programme Performance
4. New Capital Schemes

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

None.

### **Background Documents**

None.



## Appendix 1 – Revenue Budget Performance

### Children’s Services - Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Director of Children's Services	230	230	0	0.0%
10	Education & Inclusion	3,814	3,852	38	1.0%
588	Disability & SEN	7,132	7,334	202	2.8%
1,354	Children's Health, Safeguarding and Care	36,481	37,803	1,322	3.6%
(17)	Stronger Families, Youth & Communities	9,972	9,636	(336)	-3.4%
1,935	Total Revenue - Children	57,629	58,855	1,226	2.1%

### Explanation of Key Variances

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
<b>Education &amp; Inclusion</b>			
43	Home to School Transport	The overspend of <b>£0.043m</b> reflects the latest number of children being transported (453). A detailed analysis has been undertaken with the budget holder for each area of the budget and the latest position reflects the estimated outturn position.	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible. The position regarding independent travel needs to be monitored closely as any further reductions in numbers will impact on the overall forecast.
(5)	Other	Minor underspend variances	
<b>Disability &amp; SEN</b>			
122	Corporate	The anticipated number of disability placements is 18.43 FTE.	

**Appendix 1 – Revenue Budget Performance**

<b>Key Variances £'000</b>	<b>Service</b>	<b>Description</b> (Note: FTE/WTE = Full/Whole Time Equivalent)	<b>Mitigation Strategy (Overspends only)</b>
	Critical Disability Agency Placements	The average general fund unit cost of these placements is now £1,813.69 following additional DSG contributions to residential placements. The number of placements is 4.93 FTE above the budgeted level, with the average weekly cost now being £448.89 lower than the budgeted level. The combination of these two factors together with the underspend of £0.028m on respite placements, results in an overspend of <b>£0.122m</b> .	
58	Direct Payments	This current estimate based on expenditure in months 1-5 and taking into account the 2013/14 outturn indicated, for Direct Payments - Disabled Children, an overspend of approximately <b>£0.130m</b> . This figure has been adjusted down to an overspend of approx. <b>£0.058m</b> following a review of current agreed packages by the Head of Service. Finance will continue to liaise closely with the budget holder with a view to ensuring that an up to date projection based on current agreed cases is provided	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible
50	Preventive Payments	This current estimate based on expenditure in months 1 -5 and taking into account the 2013/14 outturn indicates, for Preventive Payments – Disabled Children, an overspend of approximately <b>£0.050m</b> . This area will need to be monitored closely on a monthly basis as it is subject to a significant element of variation dependent on identified need. Finance will liaise with the budget holder with a view to ensuring that an up to date projection based on current agreed cases is provided monthly.	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible
(28)	Other	Minor underspend variances	
<b>Children's Health, Safeguarding &amp; Care</b>			
1,538	Corporate Critical - Children's Agency Placements	The projected number of residential placements (30.98FTE) is broken down as 26.23FTE social care residential placements (children's homes), 4.25 FTE schools placements, 0.50 FTE family assessment placements and 0.00 FTE substance misuse rehabilitation placements. The budget allowed for 21.20 FTE social care residential care placements, 5.00 FTE schools placements, 1.25 FTE family assessment placements and 0.50 FTE substance misuse rehab placements. The average unit	The Children's Services Value for Money (VfM) programme has two workstreams: <ul style="list-style-type: none"> <li>The VfM Early Help Workstream objective is to deliver, review and rationalise evidence based early help services to reduce the need</li> </ul>

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
		<p>costs of these placements is £169.24 per week below the budgeted level, with the most significant unit cost saving in residential homes. Overall the number of placements are 3.03 FTE above the budgeted level, and this combined with the unit cost savings described above result in an overspend of <b>£0.193m</b>.</p> <p>The numbers of children placed in independent foster agency (IFA) placements began to fall during 2012/13 and that trend continued in the early months of 2013/14, however, since then numbers have started to increase. During 2013/14 there were 165.76 FTE placements but the current projected number of placements in 2014/15 is 180.24 FTE, an increase of 8.7%. The budget for IFA placements was based on the falling trend of the previous two years and was set at 135.80 FTE which is being exceeded by 44.44 FTE placements resulting in an overspend of <b>£1.320m</b>.</p> <p>During 2014/15 it is estimated that there will be 2.05 FTE secure (welfare) placements and 0.94 FTE secure (justice) placements. The budget allowed for 1.00 FTE welfare and 0.75 FTE justice placements during the year. There are currently 2 children in a secure (welfare) placement and none in a secure (criminal) placement resulting in a projected overspend of <b>£0.025m</b></p>	<p>for specialist interventions. Key initiatives include;</p> <ul style="list-style-type: none"> <li>• developing Early Help Hub to create a single integrated system for identification, referral, assessment, delivery and monitoring of effective early help interventions.</li> <li>• delivering evidence based interventions (such as family coaching by Stronger Families Stronger Communities, Functional Family Therapy, Family Nurse Partnership, Triple P)</li> <li>• The VfM Placement Workstream objective is to strengthen social work systems so that care plans for individual children can be delivered by lower cost interventions and placements and/or by reducing the time children require statutory interventions. Key initiatives include:             <ul style="list-style-type: none"> <li>• developing Multi Agency Safeguarding Hub to ensure appropriate and timely response to safeguarding concerns</li> <li>• strengthening social work</li> </ul> </li> </ul>

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
			<p>transformational programme including developing a clear practice model</p> <ul style="list-style-type: none"> <li>strengthening pre-proceedings work by social work/legal/Clermont Family Assessment Centre to prevent care proceedings</li> </ul> <p>As part of both workstreams, changes in commissioning arrangements/service redesign are being identified and implemented including working with partners in their approaches to commissioning for vulnerable adults who are parents.</p> <p>In addition, a task &amp; finish group is set up to review and strengthen Special Education Needs (SEN)/Disability services</p>
(88)	Corporate Critical-In House Foster Payments	As part of the children's VFM programme, there is an ongoing attempt to increase the recruitment of in-house foster carers. This has not progressed as well as anticipated and currently there are 28.88 FTE less children placed than allowed in the budget. However, there are considerably more children placed with family and friends carers or under special guardianship orders than allowed in the budget and the combination of these factors results in a projected underspend of <b>£0.088m</b> in in-house placements.	
38	Corporate Critical	The budget for 16+ services is split across 4 client types. Care Leavers, Ex- Asylum Seekers, Looked After Children and	The new joint commissioning arrangements between children's



## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
	16+Services	Preventive. Across these services the budget allows for 53.65 FTE young people and currently the projection is based on 58.15 FTE young people. However, the average unit cost of accommodation is projected to be £183.23 lower than allowed in the budget resulting in an underspend on accommodation costs. The non-accommodation costs, conversely are currently anticipated to overspend the budget by £0.081m resulting in an overall overspend of <b>£0.038m</b>	services and Housing start in June and it is anticipated that the new robust commissioning of placements, work on reducing the numbers of young people being accommodated and more rigorous monitoring of non-accommodation budgets will reduce the overspend.
(212)	Social Work Teams	The projected Social Work Teams underspend of <b>£0.212m</b> reflects the outcome of the overall SW teams restructure. At this stage we are anticipating that the 2014/15 savings within the teams will be achieved pending completion of the current restructure and after taking into account the additional cost attached to the MASH premises. We will continue to undertake detailed monthly analysis of these areas to ensure that we're aware at the earliest stage as to any movement from the projected underspend position	
(60)	Legal Fees	Lower expenditure in the year to date suggests an underspend of <b>£0.060m</b> on Legal, Counsel and Court Fees.	
(32)	Adoption Services	The government have instituted a number of changes and new requirements for the adoption service. The increase in both the number and cost of inter-agency adoptions has resulted in a significant increase in the levels of spend. This has been funded this year by carry forward of the unspent element of the Adoption Reform Grant (ARG) The underspend of <b>£0.032m</b> relates to regular adoption support payments and allowances for which numbers are currently slightly below budgeted levels.	
160	Section 17 Preventive	This overspend of <b>£0.160m</b> relates to the increased costs of the housing recharge for homeless families due to a rise in the number of families needing accommodation and an increase in expenditure charged to the No Recourse to Public Funds budget.	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
48	Support Through Care Team	The overspend relates predominantly to the use of locum social workers. Due to the increase in the number of children in care, it was felt necessary, in order to maintain a safe level of service to increase the number of social workers in this team. As this was deemed a crisis and recruitment procedures were unable to meet the demand a number of locum social workers have been engaged. The restructure of social work services has increased the establishment in this team resulting in a considerable reduction in the overspend reported in previous months.	This overspend has been reduced following agreement of the social work restructure which increases the social work establishment in the Support Through Care Team, enabling additional recruitment which should result in the cessation of the use of locums.
(129)	Contact Supervision	The underspend in this service is predominantly due to the use of sessional staff being considerably less than anticipated in the budget. In addition there is a smaller underspend in the car mileage budget, which also reflects the more efficient use of resources than was anticipated in the budget.	
122	14+ Support Team	Most of this overspend (£0.077m) relates to the use of locum social workers. Due to the increase in the number of children in care, it was felt necessary, in order to maintain a safe level of service to increase the number of social workers in this team. As this was deemed a crisis and recruitment procedures were unable to meet the demand a number of locum social workers have been engaged. In addition the growing number of children in care has resulted in an increase in transport costs and the transport budgets are projected to overspend by £0.035m. There are other minor overspends of £0.010m.	This overspend has been reduced following agreement of the social work restructure which increases the social work establishment in the 14+ Support Team, enabling additional recruitment which should result in the cessation of the use of locums.
(63)	Other	Minor underspend variances	
<b>Stronger Families, Youth &amp; Communities</b>			
(240)	VFM Commissioning	Public Health have agreed to pick up the funding of the Family Nurse Partnership resulting in the VFM funding that had previously been identified through a spend to save business case to be no longer required.	
(96)	Other	Minor underspend variances	

## Appendix 1 – Revenue Budget Performance

### Adult Services – Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
2,254	Adults Assessment	47,665	50,207	2,542	5.3%
1,253	Adults Provider	13,960	15,389	1,429	10.2%
(238)	Commissioning & Contracts	795	577	(218)	-27.4%
3,269	Total Revenue - Adult	62,420	66,173	3,753	6.0%

### Explanation of Key Variances

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
		The key variances across Adult Social Care are as detailed below:	Further plans are being developed and mitigating action is being taken to reduce these forecast overspends.
<b>Adults Assessment</b>			
see below	Assessment Services	Assessment Services are showing an overspend of £2.542m (5.3% of net budget), which is a £0.288m increase from Month 2. There are increased levels of complexity and need being experienced across all client groups and the overspend is broken down as follows: -	
838	Corporate Critical - Community Care Budget (Learning Disabilities)	Learning Disabilities are reporting a pressure of £0.838m due largely to an anticipated shortfall of £0.558m against budget savings targets and projected commitments of approximately £0.200m for Ordinary Residence claims.	Increased scrutiny of all Learning Disability placements/care package requests has been put in place to assure value for money against eligible care needs across different types of placement. Focus on high cost placements and identifying low dependency placements in in-house

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
			units for move on.
861	Corporate Critical - Community Care Budget (Physical & Sensory Support - Under 65's)	Under 65's are reporting a pressure of £0.861m, due to a continuation of the cost pressures experienced during 2013-14 from increased complexity in need of clients.	Increased panel scrutiny of all complex or high cost care package requests to assure value for money against eligible care needs. Where possible no placements will be made above the agreed local authority rates. The VfM Phase 4 programme includes a specific project focussing on high cost placements to reduce costs. Risk share arrangement with health under discussion. Taskforce in place to ensure that all appropriate funding sources are identified.
752	Corporate Critical - Community Care Budget (Physical & Sensory Support -Over 65's)	Over 65's are reporting a pressure of £0.752m, of which the majority relates to the balance of unachievable previous year savings against Extra Care Housing.	As above, there will be increased scrutiny of complex or high cost care packages. An independent Extra Care business case has been commissioned to establish demand/need projections to enable ASC commissioners to work with their housing partners to identify the types of provision that will most appropriately meet the objective of reducing residential care costs. Risk share arrangement with health under discussion. Taskforce in place to ensure that all appropriate funding sources are identified.
91	Support & Intervention Teams	There is a shortfall in budgeted income from health, mainly due to no longer receiving a contribution of £0.060m from CCG for Continuing Health Care case management.	Ongoing discussions about funding arrangements with CCG, in addition to vacancy control measures.

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
<b>Adults Provider</b>			
1,429	Adults Provider	<p>Provider Services are reporting a pressure of £1.052m from unachieved savings targets (2014/15 targets and previous years targets in 2012/13 and 2013/14) after the allocation of £0.500m risk provision funding agreed at this Committee in July 2014. Achievement of the other savings is dependent on the commissioning review of Day Options and the Learning Disabilities accommodation review, which are on-going but have been subject to delay.</p> <p>The overspend also includes staffing pressures against Respite Services of £0.174m reflecting increased occupancy levels and the complexity and compatibility of other service users. There are other pressures across the service of £0.203m.</p>	Vacancy control measures to be tightened and recruitment to posts only where this is required to ensure CQC compliance, with the use of agency staff to be signed off by senior managers. This will have an impact on service delivery. May need to rationalise or close services.
<b>Commissioning &amp; Contracts</b>			
(218)	Commissioning & Contracts	There is a saving of £0.235m relating to the HIV Preventative contracts now being funded by the Public Health Grant.	

Environment, Development & Housing - Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
(274)	Transport	(4,424)	(4,697)	(273)	-6.2%
28	City Infrastructure	29,435	29,649	214	0.7%
0	City Regeneration	1,315	1,297	(18)	-1.4%
0	Planning & Building Control	1,965	1,986	21	1.1%
(246)	Total Non Housing Services	28,291	28,235	(56)	-0.2%
20	Housing	14,787	14,967	180	1.2%
(226)	Total Revenue - Environment, Development & Housing	43,078	43,202	124	0.2%

Explanation of Key Variances:

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
<b>Transport</b>			
(360)	Corporate Critical – Parking Operations	<p>Overall the corporate critical parking budget is forecast to underspend by £0.360m. The main components of this are:</p> <ul style="list-style-type: none"> <li>A <b>£0.272m</b> surplus is forecast from on-street parking income. This forecast incorporates new parking zones being introduced this financial year and a 2.5% increase in transactions for April to August compared to last financial year. Evidence from various major event organisers in the city, including the Brighton Festival/Fringe and Brighton Marathon, has suggested increased attendances which are likely to increase demand</li> </ul>	<ul style="list-style-type: none"> <li>Actual income is monitored and reported on a monthly basis as part of the TBM process. There are a range of factors that can impact on parking activity and therefore any significant variations to the forecast are reported and acted upon regularly. Minor percentage variations in activity could result in significant financial implications.</li> </ul>

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		<p>for parking in the city.</p> <ul style="list-style-type: none"> <li>• There is a forecast under-achievement of income of approximately <b>£0.199m</b> relating to off-street car parks. There have been several factors resulting in reduced income at The Lanes car park. The most significant of these is ongoing disruption to car park access in Black Lion Street arising from an utility company sewer collapse and subsequent delays repairing and reinstating the road. The level of transactions at this car park is also approximately 15% less than for the April to August period in the last financial year. There have been some offsetting increases in transactions at other car parks.</li> <li>• There is a net overspend variance of <b>£0.113m</b> relating to Penalty Charge Notices (PCNs). This is largely due to required contributions to the bad debt provision and a delay in implementing new CCTV enforcement, where there have been delays in receiving approval for the required data protection enforcement security system from DfT and implementation of the required communication line.</li> <li>• Surplus income of <b>£0.381m</b> is forecast from parking permits. This has been caused by increased demand, removal of waiting lists for certain permits and the expected introduction of new and extended controlled parking zones.</li> <li>• An expected <b>£0.100m</b> surplus on leased car parks is forecasted. Contractual arrangements in place are expected to result in greater income than budgeted, as well as reducing unsupported borrowing costs.</li> </ul>	<ul style="list-style-type: none"> <li>• Parking services are working with the Highways team to improve temporary signage at roadworks by The Lanes car park to increase customer awareness. An updated tariff model exercise is to be carried out for the off-street car parks using updated usage data and following some minor tariff changes to see if the income budgets can be better aligned in future financial years.</li> <li>• The service are working with the DfT and external suppliers to resolve issues surrounding the implementation of new CCTV enforcement as soon as possible.</li> </ul>

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		<ul style="list-style-type: none"> <li>Other variances include; an overspend of <b>£0.068m</b> on car park premises budgets largely due to business rates costs at Trafalgar Street car park where transitional rate relief has ended this financial year; one off costs of <b>£0.035m</b> to replace security mechanisms following a change in cash collection supplier; and other minor overspend variances <b>£0.008m</b>.</li> </ul>	<ul style="list-style-type: none"> <li>It is expected that the business rates pressure at Trafalgar Street will be funded in future years by reducing utility and unsupported borrowing costs. Other overspend variances are expected to be one-off costs in the current financial year. Budgets are reviewed on a regular basis to identify potential areas of offsetting underspends.</li> </ul>
57	Highways	The variance largely relates to an overspend on staffing and a pressure on professional fees for highways inspection which are not fully covered by the income received. There may also be additional costs incurred as a result of legal action.	Is it expected that the highway inspections overspend will not be an on-going pressure as these costs are likely to be recoverable in the future under a proposed highways permit scheme; the service is exploring ways of reducing the current cost of this service. The legal fees are one-off costs relating to a single case.
<b>City Infrastructure</b>			
(94)	City Infrastructure Management	There is a forecast employee underspend within this section of £0.049m where vacancies are currently being held. This section also holds centralised budgets for staff training and other fees which are being managed to a forecast underspend of £0.045m	
296	City Clean Operations	There is a forecast overspend position of £0.283m relating to the City Clean Operations employee budget. There are a number of reasons for this overspend, including costs of a temporary additional round to help the bedding in process of a service redesign (likely to continue past Christmas), additional weekend working with the introduction of the new communal recycling scheme, and a high absence rate resulting high levels of agency staff. Other minor overspend variances within the service amount to £0.013m.	Vacancy management, reducing overtime to minimum standards and a review of the use of agency staff will be put in place reduce the variance across the remainder of the year.



## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
38	City Parks Operations	<p>Rottingdean mini golf course has been let at a peppercorn rate resulting in an income pressure of £23k and £5k additional costs of managing the site as a nature reserve.</p> <p>There are a number of variances within the City Parks Operations section with a forecast net overspend of £0.010m. One of these relates to a delay in implementing savings for reducing weekend overtime costs which was subject to challenge by the trade union.</p>	<p>Several attempts have been made to remarket the site with an appropriate use on a commercial basis, however no viable commercial proposal has been forthcoming.</p> <p>Overspends are being managed to bring down the overall forecast variance. Various mitigation strategies such as holding of vacant posts and reducing expenditure on materials and small machinery are in place to reduce to overall overspend position.</p>
(26)	Fleet Management	<p>There are overspends within this section relating to vehicle maintenance and running costs due to extra vehicles being required to support additional waste collection rounds. Also a large number of the fleet are at the end of their useful life in advance of a replacement programme. These are offset by underspends in employee and unsupported borrowing budgets.</p>	
<b>City Regeneration</b>			
(1)	Head of Regeneration	Minor underspend forecast.	
(17)	Sustainability	<p>The forecast variance largely relates to vacancy management within the service resulting in an employee underspend of <b>£0.025m</b>, which is partly offset by anticipated non-recurring costs of additional support and initiatives of <b>£0.008m</b>.</p>	
<b>Planning &amp; Building Control</b>			
33	Development Control	<p>A forecast <b>£0.051m</b> employee overspend is due to delays to the implementation of a service redesign and long term sick absences resulting in increased use of agency staff. There is also <b>£0.020m</b> of unavoidable one-off legal costs in relation to a public inquiry at the northern end of Toads Hole</p>	<p>Vacancies are being held in advance of a service redesign. It is not considered appropriate to reduce expenditure on agency staff in advance of the implementation of the re-design as this would have an impact on the ability of the service to generate income.</p>

**Appendix 1 – Revenue Budget Performance**

<b>Key Variances £'000</b>	<b>Service</b>	<b>Description</b>	<b>Mitigation Strategy (Overspends only)</b>
		Valley and hearing on Church Street, Brighton. A forecast <b>£0.038m</b> over achievement of planning application fee income partly offsets the overspends within the service.	The overspend on legal costs is considered to be unavoidable and one-off.
(12)	Planning Strategy and Projects	Delays to the achievement of financial savings from the implementation of a service re-design are being offset by vacancy management.	
<b>Housing</b>			
(227)	Corporate Critical - Temporary Accommodation & Allocations	Current trends reflect an increase in the number of properties being returned to landlords due to contracts ending and at the landlord's request in view of the improving property market. This has led to an increase in voids and the use of alternative spot purchase accommodation and/or more expensive leased properties. It also impacts on the ability to collect housing benefit income. At this stage, increasing costs and pressures on income including unachieved savings target of £0.319m are currently being offset by service pressure funding of £0.500m from 2013/14 and £0.440m from 2014/15. This leaves approximately £0.220m currently un-utilised service pressure funding within this service area which is included in the forecast underspend	New properties are being acquired as soon as possible to replace those being handed back in order to manage the number of more expensive spot purchase placements. There is a potential delay in the impact of Welfare Reform on this service as eligible clients are currently awarded Discretionary Housing Payments. Costs and income are continually under review and improvements to forecasting are being developed.
(10)	Travellers	This budget includes £0.100m 2014/15 service pressure funding. A minor underspend is forecast subject to periodic reviews of operational management.	Council Officers meet with police and other agencies to review operational management and service cost implications.
327	Supported Accommodation	The main pressures on this service are from (1) delayed rent renegotiation for West Pier Hostel (£0.060m), (2) 4 x keyworker posts in hostels to mitigate risks arising from increasing needs/vulnerabilities amongst client groups with	A number of efficiency measures to the value of £0.096m have been identified and included in the projection to reduce the projected year end budget risk.

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		funding for 2013/14 not being renewed (£0.120m), (3) unachieved savings from 2013/14 that were previously covered by underspends in other Housing services (£0.095m) and (4) pressures across the service on direct employees and non-pay of £0.094m are being offset by overachievement of income of £0.045m. This includes the 2014/15 savings target of £0.080m	
121	Private Sector Housing	The further expansion of the Private Sector Licensing Scheme was projected to achieve savings in 2014/15 of £0.125m. The timetable for introducing the scheme including public consultation and decision by Members has slipped. Housing Committee, in September 2014, agreed a detailed options paper to be reported to a future meeting on extending coverage and/or widening the scope of discretionary licensing schemes in the City. In addition, there are pressures on staffing costs of £0.044m across Private Sector Housing which are being offset by underspends on non pay costs and customer receipts of £0.048m.	Detailed options paper being prepared for the further expansion of the Private Sector Licensing Scheme as requested by Members.
(31)	Other Housing	Pressures on third party payments & contributions of £0.051m are being offset by underspends on Direct Employees, non pay and Customer Receipts of £0.082m	

Appendix 1 – Revenue Budget Performance

Assistant Chief Executive - Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
2	Communications	790	785	(5)	-0.6%
37	Royal Pavilion, Arts & Museums	3,682	3,808	126	3.4%
80	Tourism & Venues	1,581	1,670	89	5.6%
0	Libraries	5,295	5,295	0	0.0%
0	Corporate Policy & Communities	5,286	5,286	0	0.0%
0	Sport & Leisure	736	736	0	0.0%
119	Total Revenue - Assistant Chief Executive	17,370	17,580	210	1.2%

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
<b>Communications</b>			
(5)	Communications	Minor underspend anticipated.	
<b>Royal Pavilion, Arts &amp; Museums</b>			
126	Royal Pavilion, Arts & Museums	Royal Pavilion & Museums are reporting an overspend of £0.126m. Most of this (£0.100m) is due to a continuation of pressures against the achievement of retail income. There are further pressures from costs incurred following the withdrawal of the catering contractor (which the council is trying to recover) and delays to the implementation of savings at Hove Museum.	Measures have already been implemented to improve the performance of retail, including restructuring, new products and investment in the shop. These are reflected in the latest forecast. The service is also holding recruitment to key posts relating to core conservation functions.
<b>Tourism &amp; Venues</b>			
89	Tourism &	The closure of Hove Centre on 24 <sup>th</sup> December 2014 is	All expenditure at Hove Centre is

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Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
	Venues	<p>forecast to result in a reduction in budgeted hire fees from both external and internal hirers of £0.129m. Employee savings from the closure will however reduce the impact of this to £0.065m.</p> <p>Tourism is forecasting a pressure of £0.024m from reduced sales commissions.</p> <p><b>The following financial risk is not reflected in the forecast</b></p> <p>- There is an outstanding final account and claim for losses in relation to Brighton Centre frontage works from the contractors of approximately £0.135m, due to an ongoing dispute against this project. It is hoped that the final settlement will be significantly less than this and that some of the costs could be added to the legal claim being made against the contract managers, for recovery in due course. No funding has been identified and a better assessment can be made at the next TBM report of the financial impact - both on capital and revenue budgets.</p>	under review for the remaining 3 months of operation. There may be savings in other areas of the service to help offset this shortfall.
<b>Libraries</b>			
0	Libraries	Break-even position forecast at Month 5.	
<b>Corporate Policy &amp; Communities</b>			
0	Corporate Policy & Communities	Break-even position forecast at Month 5.	
<b>Sport &amp; Leisure</b>			
0	Sport & leisure	Break-even position forecast at Month 5.	

Appendix 1 – Revenue Budget Performance

Public Health (incl. Community Safety and Public Protection) – Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Public Health	607	607	0	0.0%
0	Community Safety	1,451	1,451	0	0.0%
47	Public Protection	2,329	2,329	0	0.0%
0	Civil Contingencies	180	180	0	0.0%
47	Total Revenue - Public Health	4,567	4,567	0	0.0%

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
<b>Public Health</b>			
0	Public Health	The ring-fenced Public Health grant is £18.695m for 2014-15 and the expectation is that these funds will be fully utilised in year. There was an underspend of £0.576m against the grant last year, mainly as a result of costs against Sexual Health Contracts being less than anticipated. In line with the grant conditions this was carried forward to 2014-15 and spending plans have been formulated.	
<b>Community Safety</b>			
0	Community Safety	Break-even position forecast at Month 5.	
<b>Public Protection</b>			
0	Public protection	Break-even position forecast at Month 5.	Any vacancies arising during the remainder of the year will be closely managed on a case-by-case basis to help bring down the pressure.
<b>Civil Contingencies</b>			
0	Civil Contingencies	Break-even position forecast at Month 5.	

## Appendix 1 – Revenue Budget Performance

### Resources & Finance and Law - Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
105	City Services	7,744	7,974	230	3.0%
0	Housing Benefit Subsidy	(613)	(1,098)	(485)	79.1%
73	HR & Organisational Development	3,668	3,741	73	2.0%
0	ICT	6,721	6,721	0	0.0%
(129)	Property & Design	4,469	4,279	(190)	-4.3%
0	Finance	6,278	6,218	(60)	-1.0%
0	Performance & Improvement	481	481	0	0.0%
0	Legal & Democratic Services	2,985	2,975	(10)	-0.3%
49	Total Revenue - Resources & Finance	31,733	31,291	(442)	-1.4%

### Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
<b>City Services</b>			
38	Revenues & Benefits	Recovery of income is expected to be underachieved by approximately £0.162m. This is largely brought about by a transitional period whilst new bailiff legislation takes effect. However, this is mostly offset by underspends expected in Council Tax initiatives (approx. £0.098m) and computer maintenance costs (£0.029m). Other variances account for a net overspend	

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		of just £0.003m.	
192	Life Events	<p>At current levels of usage and charges, it is estimated that cremation fees and burial fees would underachieve by £0.177m this year, and Registrar's income by a further £0.102m. This on-going pressure position is partly a result of ambitious savings targets, and service-related factors such as an unexpectedly poor take-up at the Woodland Valley site, which in itself accounts for over £0.100m of underachieved income.</p> <p>The shortfalls in Bereavement Services and Registrar's income are somewhat offset by expected overachievements in Land Charges fee income of £0.064m and various other income gains of £0.024m. Elsewhere in the service there are some minor cost pressures but these are offset by anticipated maintenance underspends at the Crematorium.</p> <p>The service has also made a contribution corporately through the launch of same-sex wedding ceremonies, resulting in an increase in bookings for these at the Royal Pavilion and major free publicity for the council, valued by the Media Relations Office at £1.400m.</p>	<p>Work is on-going to address this, and a plan of action is being drawn up within the service with cross-City Services support and challenge on a number of projects, and with involvement and assistance from Finance. One of the main measures is a review of fees and charges ( see report elsewhere on this agenda) which could result in an extra £0.160m income from clients in 2014/15, reducing the pressure to £0.032m. At the same time other measures include a staff time analysis similar to that undertaken for the Registrar's service, and a number of small service delivery changes some of which have been already implemented. It is expected that these changes will take some time to have an effect, and the projected shortfalls will be re-calculated monthly through the TBM process.</p>
<b>Housing Benefit Subsidy</b>			
(485)	Corporate Critical - Housing Benefit Subsidy	At this stage a surplus of £0.285m is forecast in respect of rent allowance and rent rebate budgets. This is mainly a result of the overall net position on the recovery of overpayments for these areas. In addition a	



Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		surplus of £0.200m is estimated due to the recovery of former Council Tax Benefit overpayments.	
<b>HR &amp; Organisational Development</b>			
73	HR & Organisational Development	A projected £0.073m overspend has been reported within the service. This is due to a gap between the cost of the current level of full-time corporate release for union activities and the available budget.	This corporate budget pressure is currently being reviewed.
<b>ICT</b>			
0	ICT	Break even position forecast as at Month 5.	The one off funding received has offset some of the shortfall in the contracts budget but there are still budget pressures in other areas. These pressures should be offset by savings on other budget lines.
<b>Property &amp; Design</b>			
(190)	Property & Design	The commercial rent forecasts within Property & Design are being maintained with income collection performing well for the rental properties on the high street and increased rental reductions due to Estate rationalisation under Corporate Landlord.	
<b>Finance</b>			
(60)	Finance	A small underspend is forecast in relation to savings on external contract fees and other contract costs.	
<b>Performance &amp; Improvement</b>			
0	Performance & Improvement	Break even position forecast as at Month 5.	
<b>Legal &amp; Democratic Services</b>			
(10)	Legal & Democratic Services	A small underspend of £0.010m in respect of Democratic Services budgets.	

## Corporate Budgets - Revenue Budget Summary

Forecast Variance Month 2 £'000	Service	2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Bulk Insurance Premia	0	0	0	0.0%
(100)	Concessionary Fares	10,615	10,505	(110)	-1.0%
0	Capital Financing Costs	8,904	8,904	0	0.0%
0	Levies & Precepts	161	161	0	0.0%
0	Corporate VfM Savings	(228)	(228)	0	0.0%
0	Risk Provisions	2,737	2,737	0	0.0%
258	Other Corporate Items	(18,757)	(18,499)	258	1.4%
158	Total Revenue - Corporate Budgets	3,432	3,580	148	4.3%

## Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
<b>Bulk Insurance Premia</b>			
0	Bulk Insurance Premia	The insurance premia budget is currently forecast to breakeven however the full year impact of the forecast increase in the public liability premium will potentially lead to a budget pressure from 2015/16.	
<b>Concessionary Fares</b>			
(110)	Concessionary Fares	Underspend as a result of conclusion of negotiations on fixed deal arrangements with Brighton & Hove Buses and Stagecoach.	
<b>Capital Financing Costs</b>			
0	Capital Financing Costs	The Financing Costs budget is expected to break even. Within the budget there is a	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		saving generated by delaying long term borrowing, which is offsetting a pressure caused by lower cash balances for investment, and higher expectations of short term borrowing to fund cashflows. Long term borrowing has been delayed in order to reduce the pressure caused by the difference between borrowing and investment rates.	
<b>Corporate VFM Projects</b>			
0	Corporate VFM Projects	The savings associated with the Third Party Spend corporate VFM project are currently still being finalised and are expected to be achieved through additional procurement / third party spend savings on contract renewals and renegotiations across a range of services.	
<b>Risk Provisions</b>			
0	Risk Provisions & Contingency	<p>The risk provision budget includes the following main items:</p> <ul style="list-style-type: none"> <li>• £2.000m risk provisions including £0.110m set aside centrally to cover the in-year additional costs of the new security carrier contract which otherwise would be recharged across all users of the service;</li> <li>• £0.455m held centrally for Adult Social Care modernisation.</li> <li>• £0.282m for other contingency items.</li> </ul> <p>A break-even position is reported at Month 5, however the Month 5 position indicates a number of forecast risks which may result in a call on risk provisions if these cannot be</p>	

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Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		mitigated by recovery actions.	
<b>Other Corporate Items</b>			
180	Pension Costs	This overspend relates to the budget for additional compensation payments to former employees of the Council or its predecessor authorities. The benefits are subject to annual increases in line with the September Retail Price Index (RPI) which is generally higher than our corporate inflation rates for pay costs. This had been expected to be offset by a reduction in the number of beneficiaries but this has remained fairly static. All related reserves that were being used to fund yearly fluctuations have now been exhausted.	
78	Unringfenced Grants	The shortfall relates to lower than anticipated income from the Education Services Grant.	

Appendix 1 – Revenue Budget Performance

Housing Revenue Account - Revenue Budget Summary

Forecast Variance Month 2 £'000	Housing Revenue Account	2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
(2)	Employees	8,610	8,597	(13)	-0.2%
0	Premises – Repair	11,199	10,969	(230)	-2.1%
(75)	Premises – Other	2,836	2,745	(91)	-3.2%
48	Transport & Supplies	2,792	2,878	86	3.1%
0	Support Services	2,633	2,633	-	0.0%
0	Third Party Payments	183	175	(8)	-4.4%
0	Revenue contribution to capital	22,124	22,124	-	0.0%
0	Capital Financing Costs	8,564	8,564	-	0.0%
(29)	Net Expenditure	58,941	58,685	(256)	-0.4%
0	Dwelling Rents (net)	(50,423)	(50,423)	-	0.0%
0	Other rent	(1,412)	(1,412)	-	0.0%
0	Service Charges	(6,583)	(6,569)	14	0.2%
-	Other recharges & interest	(523)	(528)	(5)	-1.0%
-	Net Income	(58,941)	(58,932)	9	0.0%
<b>(29)</b>	<b>Total</b>	<b>-</b>	<b>(247)</b>	<b>(247)</b>	

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
<b>Housing Revenue Account</b>			
(230)	Premises - Repairs	The forecast for Premises - Repairs is an underspend of £0.230m as responsive repairs are forecast to underspend by £0.250m, based on current trends. There is a further underspend of £0.030m forecast in relation to Fire Risk works due to efficiencies. These underspends are offset by a forecast overspend of £0.050m on Void Works as the level of repairs required have been higher in recent months.	
(91)	Premises - Other	Forecast underspend on electricity and gas costs by £0.120m. Latest available consumption data suggests lower spend than originally calculated at budget setting time. This has been offset by a forecast overspend on business rates of £0.038m.	
86	Transport & Supplies	Invest- to-save engagement of external expertise to undertake a Lean Thinking Review, £0.025m. Additional security sweeps around blocks night and day, £0.096m. Offset by £0.050m underspend in Supplies & Services efficiencies	This is currently being managed within the service by underspends elsewhere in the HRA.

## Dedicated Schools Grant - Revenue Budget Summary

Forecast Variance Month 2 £'000	Dedicated Schools Grant (DSG)	2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Individual Schools Budget (ISB) <i>(This does not include the £7.219m school balances brought forward from 2013/14)</i>	120,103	120,103	0	0.0%
0	Early Years Block (including delegated to Schools) <i>(This includes Private Voluntary &amp; Independent (PVI) Early Years 3 &amp; 4 year old funding for the 15 hours free entitlement to early years education)</i>	12,522	12,119	(403)	-3.2%
0	High Needs Block (excluding delegated to Schools); <i>(This includes the £1.446m underspend brought forward from 2013/14)</i>	18,408	18,354	(54)	-0.3%
7	Exceptions and Growth Fund	5,958	5,867	(91)	-1.5%
0	Grant Income	(155,544)	(155,544)	0	0.0%
7	Net DSG Budget	1,447	899	(548)	-37.9%

Explanation of Key Variances

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
<b>Early Years Block</b>			
(500)	PVI Payments – 2 Year Olds	Take up is significantly less than budgeted for.	
97	PVI payments – 3 & 4 Year Olds	Take up is greater than budgeted for.	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible.
<b>High Needs Block</b>			
91	Sick Children	Estimated overspend on staffing costs in the budget for educating children who are unable to attend school due to illness and are taught in hospital.	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible.
13	Education Other than at School (EOTAS)	The overspend on General EOTAS relates to Looked After Children's education costs in agency placements being £0.013m more than anticipated.	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible
7	Various	Other minor overspends.	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible
(165)	Unspent balance brought forward from 2013/14	Unallocated balance brought forward used to cover identified overspends.	
<b>Exceptions &amp; Growth Fund</b>			
		The total underspend of £0.091m in this area relates to items specifically approved by the Schools Forum and is	



**Appendix 1 – Revenue Budget Performance**

<b>Key Variances £'000</b>	<b>Service</b>	<b>Description</b> (Note: FTE/WTE = Full/Whole Time Equivalent)	<b>Mitigation Strategy (Overspends only)</b>
		therefore not available for general DSG spending.	
(45)	Admissions & Transport	Staffing and other savings.	
(46)	Schools central costs	Other minor underspends.	

## NHS Trust Managed S75 Budgets - Revenue Budget Summary

Forecast Variance Month 2 £'000		2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
	<b>S75 Partnership</b>				
180	Sussex Partnership Foundation NHS Trust (SPFT)	11,122	11,292	170	1.5%
-	Sussex Community NHS Trust (SCT)	647	677	30	4.6%
180	Total Revenue - S75	11,769	11,969	200	1.7%

## Explanation of Key Variances

Key Variances £'000	Service	Description (Note WTE = Whole Time Equivalent)	Mitigation Strategy (Overspends only)
<b>Sussex Partnership Foundation NHS Trust</b>			
170	SPFT	Sussex Partnership NHS Foundation Trust is reporting an overspend of £0.340m. The overspend reflects continuing pressures from a lack of affordable residential and nursing placements across the board, potentially leading to increased use of high cost placements and waivers within Memory & Cognition Support. There continues to be a pressure from an increase in need and complexity in Mental Health and forensic services across residential and supported accommodation. In line with the agreed risk-share arrangements for 2014/15 any overspend will be shared 50/50 between SPFT and BHCC and this is reflected in the figure of £0.170m reported here.	As for Adult Social Care, there will be increased panel scrutiny of all complex or high cost placement requests to assure value for money against eligible care needs. Where possible, no placements will be made above the agreed local authority rates. Risk share arrangement with health under discussion. Taskforce in place to ensure that all appropriate funding sources are identified.
<b>Sussex Community NHS Trust</b>			
30	SCT	The Integrated Community Equipment Store (ICES) budget is forecasting an overspend of £0.030m.	The service has switched to alternative equipment suppliers to help deliver efficiencies and manage down the projected overspend. The future commissioning arrangements of the

## Appendix 1 – Revenue Budget Performance

<b>Key Variances £'000</b>	<b>Service</b>	<b>Description</b> (Note WTE = Whole Time Equivalent)	<b>Mitigation Strategy (Overspends only)</b>
			service are set out in a separate report to P&R elsewhere on the agenda.



## Value for Money Programme Performance (All Phases)

Projects	Savings Target £m	Achieved £m	Anticipated £m	Uncertain £m	Achieved %
Adult Social Care	2.903	0.000	0.000	2.903	0.0%
Children's Services	2.539	0.381	0.534	1.624	15.0%
Third Party Spend	2.276	0.000	1.951	0.325	0.0%
Workstyles	0.060	0.000	0.060	0.000	0.0%
Accelerated Service Redesign (FYE)	1.626	0.331	1.295	0.000	20.4%
Client Transport	0.263	0.108	0.155	0.000	41.1%
VFM Phase 4 Additional Saving	0.250	0.250	0.000	0.000	100.0%
<b>Total All VFM Projects</b>	<b>9.917</b>	<b>1.070</b>	<b>3.995</b>	<b>4.852</b>	<b>10.8%</b>

## Explanation of 'Uncertain' VFM Savings:

Uncertain Savings £'000	Description	Mitigation Strategy for Uncertain Savings
<b>Adult Social Care</b>		
2,903	The Adult Social Care service has been under pressure throughout the previous financial year and this pressure is currently showing a continuing upward trend. This may place the full achievement of VFM savings under serious threat unless remedial action can be identified.	Additional scrutiny has been put in place in relation to care packages, particularly out-of-area and high cost packages, to ensure VFM and reduce costs. Extra care and other supported care provision are also being explored where possible. Mitigating cost reductions on Continuing Health Care may also aid the position.
<b>Children's Services</b>		
1,624	Appendix 1 provides details of the current pressures across Children's Services. The main pressures are arising from an upward trend in Independent Foster Agency placements (IFAs) and lower than expected recruitment of 'in-house' foster carers.	VFM and partnership work are continuing in the hope that trends can be halted and reversed through measures including Early Help strategies, recruitment of 'in-house' foster carers, and the SEN/Disability task & finish work. The forecast has seen some improvement since month 2 and it is to be hoped this can be sustained.
<b>Third Party Spend</b>		

**Appendix 2 – VFM Performance**

<b>Uncertain Savings £'000</b>	<b>Description</b>	<b>Mitigation Strategy for Uncertain Savings</b>
325	<p>Uncertain elements concern Adult Social Care provider contract savings which are £0.141m lower than anticipated. In addition, lower than anticipated savings of £0.097m have been achievable on renegotiated Supporting People provider contracts. There is also a shortfall of £0.087m on Corporate Landlord savings due to higher than expected costs relating to 3 contracts.</p>	<p>Adult Social Care contract negotiations are now complete and the challenging £1.000m saving target, although substantially met, has fallen short. This will need to be managed alongside other pressures across Adult Social Care as noted above and in Appendix 1.</p> <p>The Supporting People variance is being covered by additional permanent savings on HRA contracts (£0.034m) and temporary funding from Homelessness Prevention budgets (£0.063m). 2014/15 is the final year of the 4 year SP strategy and contracts are being reviewed to mitigate the temporary funding for 2015/16 and beyond.</p> <p>The Corporate Landlord shortfall will be offset overall in 2014/15, and ongoing, by increased rental incomes within the Corporate Landlord portfolio.</p>

## Children's Services – Capital Budget Summary

Forecast Variance Month 2 £'000	Service	2014/15 TBM 2 Budget £'000	Reported at other Meetings £'000	New Schemes (Appendix 4) £'000	Variation, Slippage / reprofile £'000	2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Child Health Safeguard and Care	89	0	0	0	89	89	0	0.0%
0	Education and Inclusion	17,090	0	0	0	17,090	17,090	0	0.0%
0	Disability & SEN	489	0	0	0	489	489	0	0.0%
0	Schools	1,545	0	336	0	1,881	1,881	0	0.0%
0	Stronger Families Youth & Communities	420	0	0	0	420	420	0	0.0%
<b>0</b>	<b>Total Children's Services</b>	<b>19,633</b>	<b>0</b>	<b>336</b>	<b>0</b>	<b>19,969</b>	<b>19,969</b>	<b>0</b>	<b>0.0%</b>

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

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Children's Services</b>				
No change				

Adult Services – Capital Budget Summary

Forecast Variance Month 2 £'000	Service	2014/15 TBM 2 Budget £'000	Reported at other Meetings £'000	New Schemes (Appendix 4) £'000	Variation, Slippage / reprofile £'000	2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Adults Assessment	423	0	0	0	423	423	0	0.0%
0	Adults Provider	81	0	0	0	81	81	0	0.0%
0	Commissioning and Contracts	26	0	98	0	124	124	0	0.0%
<b>0</b>	<b>Total Adult Services</b>	<b>530</b>	<b>0</b>	<b>98</b>	<b>0</b>	<b>628</b>	<b>628</b>	<b>0</b>	<b>0.0%</b>

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

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Adult Services</b>				
No Change				



## Appendix 3 – Capital Programme Performance

### Environment, Development & Housing (General Fund) – Capital Budget Summary

Forecast Variance Month 2 £'000	Service	2014/15 TBM 2 Budget £'000	Reported at other Meetings £'000	New Schemes (Appendix 4) £'000	Variation, Slippage/ reprofile £'000	2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	City Infrastructure	2,628	20	21	0	2,669	2,669	0	0.0%
0	City Regeneration	3,996	0	0	(65)	3,931	3,931	0	0.0%
0	Planning	0	0	481	0	481	481	0	0.0%
0	Transport	11,706	0	2,478	0	14,184	14,184	0	0.0%
0	Housing GF	2,034	0	0	0	2,034	2,034	0	0.0%
<b>0</b>	<b>Total Environment, Development &amp; Housing GF</b>	<b>20,364</b>	<b>20</b>	<b>2,980</b>	<b>(65)</b>	<b>23,299</b>	<b>23,299</b>	<b>0</b>	<b>0.0%</b>

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

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>City Infrastructure</b>				
Reported at other meetings	20	Hove Park Depot	Previously reported to P&R committee on 12 <sup>th</sup> June 2014.	
<b>City Regeneration</b>				
Variation	(65)	Brighton Digital Exchange	Revised business case for Brighton Digital Exchange has reduced the project total from £3.301m to £3.236m.	

## Appendix 3 – Capital Programme Performance

### Environment, Development & Housing (Housing Revenue Account) – Capital Budget Summary

Forecast Variance Month 2 £'000	Service	2014/15 TBM 2 Budget £'000	Reported at other Meetings £'000	New Schemes (Appendix 4) £'000	Variation, Slippage / reprofile £'000	2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	City Regeneration	3,272	0	0	(2,552)	720	720	0	0.0%
0	Housing HRA	31,294	0	0	(245)	31,049	31,381	332	1.1%
<b>0</b>	<b>Total Environment, Development and Housing HRA</b>	<b>34,566</b>	<b>0</b>	<b>0</b>	<b>(2,797)</b>	<b>31,769</b>	<b>32,101</b>	<b>332</b>	<b>1.0%</b>

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

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>City Regeneration</b>				
Budget Slippage	(1,117)	Housing development feasibility studies	Feasibility studies for new housing developments (£0.117m slippage).  Budget transferred to Housing HRA for the Manor Place and Block Conversion schemes (£1.000m).	Awaiting next batch of sites which are currently under review.
Budget Slippage	(1,435)	Garage sites project development	Delivering a total of 225 homes across four former car parking and garage sites. Three of the four projects are on target, but the forecast cash-flow is different to that originally modelled, therefore the expenditure will be later in the project than originally anticipated. Kensington St is on hold whilst land ownership issues are resolved, but a decision on next steps anticipated in September 2014.	
<b>Housing HRA</b>				

### Appendix 3 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
Budget Reprofile	700	Solar PV Citywide Project	The HRA Capital Programme 2014-17 report approved by Policy & Resources in February 2014, approved a budget provision for 2014/15 of £0.514m, for a Solar PV Citywide Project and also provided a provisional programme budget, totalling £1.241m for this project for the next 2 years. It is proposed to bring forward the provisional programme budget for 2015/16 of £0.700m to continue with the installation of Solar PVs during 2014/15.	The increased spend in 2014/15 of £0.700m for this project can be funded through the use of HRA capital reserves.
Budget Reprofile	250	Cladding	Bringing forward the Warwick Mount scheme which was originally programmed for 2015/16.	
Budget Reprofile	540	Cyclical Decorations	Variance relates to acceleration of internal and external decoration programmes.	10 year cycle of decorations being worked up by asset management team to satisfy corporate aspirations, as articulated in the new draft asset management strategy.
Budget Reprofile	(2,558)	Brooke Mead	The preconstruction phase will be complete this financial year, with the bulk of the development costs now occurring in 2015/16.	The mitigation strategy has to been to engage a contractor to carry out the development. Detailed design is taking place and will lead to greater accuracy of costs and allow the council to be comfortable when entering into a fixed price contract.
Variation	(50)	ICT Fund	Accounting technical adjustment to transfer budget to revenue. This relates to the developmental work relating to Housing Management/Customer IT systems.	
Variation	250	Condensation and Damp works	Unseasonal bad weather has resulted in additional response repair work being an imperative.	Increased demand for responsive repairs is being met to reduce the risk of widespread dis-repair litigation.

### Appendix 3 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
Variation	166	Partnership establishment costs	Increase required for trade apprentice costs not included within base budget.	
Variation	(416)	Rewiring	Budget reprofiled from 2013/14 not required for this years programme.	
Budget Slippage	1,000	Manor Place / Block Conversions	Budget transferred from City Regeneration (Feasibility and Design) for the Manor Place and Block Conversion schemes (£1.0m).	
Budget Slippage	(127)	Portslade Police Station	Original plans reviewed and further planning permission being sought.	Further engagement with Planning Department to ascertain whether change to Museum use is acceptable, before funds committed.
Overspend	500	Roofing	Robert Lodge and Sanders House are currently top of the list of poorly performing roofs and are being repaired as a priority addition to the original programme.	An asset management decision in the interests of value for money to advance the Citywide programme to address poorly performing roofs which will reduce ongoing maintenance costs.
Overspend	225	Block Conversions (Evelyn court)	Conversion of shared facilities into self-contained flats. The current forecast assumes that in addition to Sanders House, Evelyn court will also be completed in 2014/15 as it is more cost effective to continue this project with the existing sub-contractors.	Depending on which represents best value for money, and the availability of funds, the increased cost will be either funded from capital reserves or borrowing.
Overspend	74	Various	Various overspends under £0.050m – Minor Capital Works (£0.047m), Structural Repairs (£0.027m)	
Underspend	(182)	Insulation	Programming of capital projects being spread out more efficiently over 2 financial years.	
Underspend	(100)	Door Entry System / CCTV	Door inspection and resulting repair/replacement programme has impacted on the Door Entry System (DES) upgrade/replacements, which cannot be actioned until a decision is made regarding the	Programme will be continued in next financial year

### Appendix 3 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			actual entrance/exit door at blocks. Leaseholder consultation process for doors and DES is then combined.	
Underspend	(80)	Water Tanks	Three months without Building Services Engineer (now recruited via agency) has impacted on the water tank replacement/repair programme originally set up. The programme is now underway, but will not be completed within the timescale originally set.	Programme will be continued in next financial year
Underspend	(75)	Extensions	Extensions Projects – reduction in total likely spend by £75K to the end of 2014/15 following a strategic delivery procedural and design review of the project overall to help ensure value for money and the effective use of these resources.	Further engagement with partners to enhance procedures and reduce residual risk, particularly in the field of design liability. Quantity surveyor(s) are continuing to work closely with partners to monitor these risks and guarantee value for money.
Underspend	(30)	Various	Various underspends under £0.050m – Windows (£0.028m), City College Partnership (£0.002m)	

Assistant Chief Executive - Capital Budget Summary

Forecast Variance Month 2 £'000	Service	2014/15 TBM 2 Budget £'000	Reported at other Meetings £'000	New Schemes (Appendix 4) £'000	Variation, Slippage / reprofile £'000	2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Corporate Policy Performance & Communities	92	0	0	0	92	92	0	0.0%
0	Royal Pavilion Arts & Museums	362	0	0	0	362	362	0	0.0%
0	Sports & Leisure	133	0	0	0	133	133	0	0.0%
0	Libraries	233	0	0	0	233	233	0	0.0%
0	Tourism & Venues	17,176	0	0	0	17,176	17,176	0	0.0%
<b>0</b>	<b>Total Assistant Chief Executive</b>	<b>17,996</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17,996</b>	<b>17,996</b>	<b>0</b>	<b>0.0%</b>

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

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Assistant Chief Executive</b>				
No Changes				

Public Health – Capital Budget Summary

Forecast Variance Month 2 £'000	Service	2014/15 TBM 2 Budget £'000	Reported at other Meetings £'000	New Schemes (appendix 4) £'000	Variation, Slippage / reprofile £'000	2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Public Health	252	0	0	0	252	252	0	0.0%
0	Public Protection	0	0	195	0	195	195	0	0.0%
<b>0</b>	<b>Total Public Health</b>	<b>252</b>	<b>0</b>	<b>195</b>	<b>0</b>	<b>447</b>	<b>447</b>	<b>0</b>	<b>0.0%</b>

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

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Public Health</b>				
No Changes				

## Appendix 3 – Capital Programme Performance

### Finance, Resources and Law - Capital Budget Summary

Forecast Variance Month 2 £'000	Service	2014/15 TBM 2 Budget £'000	Reported at other Meetings £'000	New Schemes (appendix 4) £'000	Variation, Slippage / reprofile £'000	2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	City Services	250	0	0	0	250	250	0	0.0%
0	HR Organisational Development	165	0	0	0	165	165	0	0.0%
0	ICT	2,758	0	0	0	2,758	2,758	0	0.0%
0	Property & Design	6,505	100	0	0	6,605	6,605	0	0.0%
0	Finance	0	0	0	0	0	0	0	0.0%
<b>0</b>	<b>Total Finance, Resources and Law</b>	<b>9,678</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>9,778</b>	<b>9,778</b>	<b>0</b>	<b>0.0%</b>

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

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Property &amp; Design</b>				
Reported at other meetings	100	Hove Town Hall – south end office	Originally reported to P&R committee 11 <sup>th</sup> July 2014, £0.100m of budget now profiled for 2014/15.	



Corporate Services - Capital Budget Summary

Forecast Variance Month 2 £'000	Service	2014/15 TBM 2 Budget £'000	Reported at other Meetings £'000	New Schemes (appendix 4) £'000	Variation, Slippage / reprofile £'000	2014/15 Budget Month 5 £'000	Forecast Outturn Month 5 £'000	Forecast Variance Month 5 £'000	Forecast Variance Month 5 %
0	Corporate Services	0	0	25	0	25	25	0	0.0%
0	<b>Total Corporate Services</b>	0	0	25	0	25	25	0	0.0%

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

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Corporate Services</b>				
No changes				



New Capital Project Approval Request				
Unit:	Children's Services: Longhill School			
Project title:	Summer 2014 - Annual Upgrade of Computers			
Total Project Cost (All Years):	£35,582			
<b>Purpose, benefits and risks:</b>				
The purchase of 116 computers to enable the 2014 summer upgrade. The school has an ongoing 5 year rolling refresh for all computers within the school.				
<b>Capital expenditure profile (£'000):</b>				
	This Year	Next Year	Year After	TOTAL
Unsupported Borrowing	36			36
Total estimated costs and fees	36			36
<b>Financial implications:</b>				
Revenue: The financing costs associated with the borrowing and the ongoing ICT maintenance costs have been built into the school's 5 year Budget Plan.				

<b>New Capital Project Approval Request</b>				
Unit:	Children's Services: Dorothy Stringer School			
Project title:	All Weather Surface Pitch			
Total Project Cost (All Years):	£300,000			
<b>Purpose, benefits and risks:</b>				
<p>Dorothy Stringer School have received planning permission to provide a state of the art 3G All Weather Pitch in order to support the development of curriculum and out of school learning for young people between the ages of 5 and 19. The pitch is expected to provide an all-weather venue for inter school competitions and will be used to promote transition of community participation through the development of school club links. The school has secured £0.400m grant funding from the Football Foundation/Premier League towards the project, and is asking the Council for a loan to fund the additional estimated £0.300m required to install the pitch. The school has submitted a Business Plan to the Council to support it's loan request and is expecting to let the pitch to local Football Clubs, other local schools and After School Clubs and other community groups. These lets are expected to generate sufficient income to maintain the pitch, repay the loan to the council and operate a sinking fund for pitch replacement. The school will manage and maintain the pitch themselves, and will employ an additional member of staff in order to manage the administration of the lettings. The school has interest from a range of community clubs (including the Football Foundations, Hollingbury Hawks and Albion in the Community) for use of the pitch both in peak football season, and during summer holidays to run summer clubs. The school has a waiting list of interested users, demonstrating sufficient demand from potential hirers.</p>				
<b>Capital expenditure profile (£'000):</b>				
Year	This Year	Next Year	Year After	TOTAL
Unsupported Borrowing	300			300
Total estimated costs and fees	300			300
<b>Financial implications:</b>				
<p>The school wishes to borrow £0.300m from the council to fund the pitch installation and related works. The school has provided a detailed business plan that includes a usage plan produced in consultation with the community groups/clubs wishing to hire the pitch. This demonstrates potential income levels of £0.127m per year. However, the business plan is able to break even with 62% of this expected usage, providing additional assurance that the school is able to repay the council's loan. Internal Audit are reviewing the business case and it is recommended that Committee delegate authority to the Executive Director of Finance &amp; Resources to approve the scheme subject to seeking further assurance on the detail of the business case.</p>				

<b>New Capital Project Approval Request</b>				
Unit:	Commissioning & Contracts			
Project title:	Adult Social Care IT Infrastructure			
Total Project Cost (All Years):	£98,000			
<b>Purpose, benefits and risks:</b>				
<p>OLM Enterprise Agreement: OLM provides the current adult social care client database system and the Enterprise Agreement provides ASC with additional functionality at reduced costs in relation to a portal for information and advice, self assessment and a multi agency view. These are all key requirements in relation to implementing the requirements of the Care Act and the Better Care Programme. They will promote improved access to information and advice linked to our broader preventive programme, support a more efficient assessment process and support our plans for integration of services through Better Care. These developments should produce better outcomes for local people alongside more efficient and integrated processes. The key risks are i) ensuring we have the skilled capacity to implement, ii) that the business processes make full use of the systems and iii) that effective partnership working is sustained to ensure a co-ordinated and integrated approach.</p>				
<b>Capital expenditure profile (£'000):</b>				
Year	This Year	Next Year	Year After	TOTAL
Grant (Adult Social Care Capital)	75			75
Other (existing capital grant funding against Adult Social Care Reform Grant)	23			23
Total estimated costs and fees	98			98
<b>Financial implications:</b>				
<p>The costs for the OLM Enterprise agreement will be met from within the Department of Health specific capital grant for 2014/15, with £0.075m to be allocated and the balance of £0.023m from the carried forward capital funding against Adult Social Care Reform Grant.</p>				

<b>New Capital Project Approval Request</b>				
Unit:	Planning Projects Team (Environment, Development and Housing)			
Project title:	Ann Street/Providence Place environmental improvements			
Total Project Cost (All Years):	£481,000			
<b>Purpose, benefits and risks:</b>				
<p><b>Purpose:</b> Improve public realm in Ann Street/Providence Place following INTERREG IVB Lively Cities Project (including successful two week pilot project in October 2012) and subsequent approval on 14 Jan 2014 by Environment, Sustainability and Transport Committee for implementation of permanent scheme. The project is one of a series of wider improvements in the London Road area, as planned for in the council's London Road Central Masterplan (an adopted Supplementary Planning Document). <b>Benefits:</b> Social, environmental, economic, including improved pedestrian and cycle linkages, widening the customer base and improve the economic performance of the adjacent London Road shopping centre, decreasing anti-social behaviour and perceptions of crime, encouraging wider regeneration in the locality. <b>Risks:</b> Minimal - the scheme has already been extensively researched, developed and the subject of ongoing community consultation under the Lively Cities INTERREG IVB programme and has considerable community support. The main risk would lie in the scheme not going ahead, following 3 years of community involvement and heightened expectations.</p>				
<b>Capital expenditure profile (£'000):</b>				
Year	This Year	Next Year	Year After	TOTAL
Grant (please state)	11			11
External Contribution (inc S106)	470			470
Total estimated costs and fees	481			481
<b>Financial implications:</b>				
This scheme is to be funded from European INTERREG lively cities project grant and Section 106 funds available from developments in the area. Any revenue costs associated to the project will be met from existing budgets within the planning service.				

<b>New Capital Project Approval Request</b>				
Unit:	City Infrastructure			
Project title:	East Brighton Park and Wilson Avenue Parking Controls			
Total Project Cost (All Years):	£20,500			
<b>Purpose, benefits and risks:</b>				
<p>East Brighton Park has an access road running through it which links Wilson Avenue with the Caravan Club site, Whitehawk Football Club, Brighton College sports fields, as well as providing emergency access for the Air Ambulance to drop patients going to Royal Sussex County Hospital. The road has been regularly blocked or partially blocked over a number of years by long stay travellers vehicles and residents/workers from Whitehawk avoiding the parking control zone, making access difficult for caravans, coaches and emergency vehicles. Controlling parking will alleviate these problems, improving access for business and leisure activities. The Traffic Regulation Order (TRO) has been approved by committee and this capital will implement the scheme. Income from parking fees will pay to manage the scheme and has potential to contribute to park improvements over the coming years.</p>				
<b>Capital expenditure profile (£'000):</b>				
Year	This Year	Next Year	Year After	TOTAL
Unsupported Borrowing	21			21
Total estimated costs and fees	21			21
<b>Financial implications:</b>				
<p>It is anticipated that the implementation costs of the scheme will cost approximately £0.021m in the 2014-15 financial year. It is expected that the costs will be funded by unsupported borrowing to be repaid from the income generated from parking fees within three years.</p>				

New Capital Project Approval Request				
Unit:	Transport			
Project title:	Pothole Repair Fund			
Total Project Cost (All Years):	£230,632			
<b>Purpose, benefits and risks:</b>				
<p>In the 2014 Budget Statement, the Government announced the creation of a Pothole Fund made available to highway authorities in England to help repair damage to the local road network. Brighton &amp; Hove City Council has been successful in applying for funding and has received £0.231m from this fund to repair potholes and other defects on the local road network. This funding is available for the 2014/15 financial year.</p>				
<b>Capital expenditure profile (£'000):</b>				
Year	This Year	Next Year	Year After	TOTAL
Grant - DFT Pothole Repair Fund	231			231
Total estimated costs and fees	231			231
<b>Financial implications:</b>				
<p>The council has received £0.231m of capital grant from the Department for Transport to fund the expenditure.</p>				



New Capital Project Approval Request				
Unit:	Public Protection			
Project title:	Retrofit of Taxis - Catalytic Reduction			
Total Project Cost (All Years):	£195,000			
<b>Purpose, benefits and risks:</b>				
The council has been awarded £0.195m from the Department for Transport's (DfT) Clean Vehicle Technology Fund to upgrade approximately 30 taxi minibuses or larger taxis with Selective Catalytic Reduction technology to reduce emission of NOX (oxides of nitrogen including NO and NO2), which will promote the council's priority of improving local air quality.				
<b>Capital expenditure profile (£'000):</b>				
Year	This Year	Next Year	Year After	TOTAL
Grant - Clean Vehicle Transport Fund (CVTF-2014)	195			195
Total estimated costs and fees	195			195
The capital costs of the project will be funded by the DfT's Clean Vehicle Technology Fund of which £0.195m has been awarded to the council. Any associated revenue costs during the project, i.e. largely officer time, will be funded from the existing revenue budget within the Public Protection service.				

New Capital Project Approval Request				
Unit:	City Infrastructure			
Project title:	Replacement of vehicles			
Total Project Cost (All Years):	£4,870,000			
<b>Purpose, benefits and risks:</b>				
<p>The Council needs to operate a fleet of vehicles to deliver front line services. Operating an old and non-standardised fleet is costly because of increased maintenance and service costs and higher fuel usage. The replacement of these vehicles will minimise fleet running costs and lower emissions. This relates to the procurement of 14 City Clean vehicles in 2014-15 (£1.883m), 11 vehicles in 2015-16 (£1.205m) and 3 vehicles in 2016-17 (£0.234m); and 12 City Park vehicles in 2014-15 (£0.364m), 32 vehicles in 2015-16 (£0.810m) and 17 vehicles in 2016-17 (£0.374m).</p>				
<b>Capital expenditure profile (£'000):</b>				
Year	This Year	Next Year	Year After	TOTAL
Unsupported Borrowing	2,247	2,015	608	4,870
Total estimated costs and fees	2,247	2,015	608	4,870
<b>Financial implications:</b>				
<p>Within the capital budget for 2014/15 agreed at Budget Council was a new scheme for the replacement of vehicles. This was included in the report subject to further information being provided in order to release the funding. In the report the funding was profiled as £3.470m in 2014/15, £0.7m in 2015/16 and £0.7m in 2016/17. This has now been amended to the above timescale but overall it is the same amount to be borrowed. All the funding of this project is from unsupported borrowing and the cost of the borrowing has been included in the budget.</p> <p>The replacement programme has taken into account the whole life costs (WLC) of the vehicles for purchase and compared them against leasing and contract hire. The WLC includes the residual value of the vehicle and is used for the further replacements. When leasing or contract hiring there are hidden costs such as excessive mileage and betterment charges on the vehicles return and there is no residual value. Owned vehicles can be run on longer if the mileage and maintenance costs are low without a significant effect on the residual value.</p>				

<b>New Capital Project Approval Request</b>				
Unit:	Corporate Services			
Project title:	Municipal Bonds Agency Subscription			
Total Project Cost (All Years):	£50,000			
<b>Purpose, benefits and risks:</b>				
<p>Within the 2014/15 TBM 2 report presented on 11th July 2014, the Policy &amp; Resources Committee delegated authority to the Executive Director of Finance &amp; Resources to commit up to £0.050m in an equity stake to enable the start-up of a Municipal Bonds Agency (MBA). The details of the purpose of the Agency are outlined in the Treasury Management 2013/14 End of Year Report, presented at the same committee. Officers have met with the MBA, and anticipate the establishment of the Agency will result in lower borrowing costs for Local Government and access to a wider range of options for Local Government borrowing.</p>				
<b>Capital expenditure profile (£'000):</b>				
Year	This Year	Next Year	Year After	TOTAL
One-Off Contingency	25	25		50
Total estimated costs and fees	25	25		50
<b>Financial implications:</b>				
<p>The subscription of shares will be funded from one-off resources within the 2014/15 contingency budget.</p>				



<b>Subject:</b>	<b>Life Events Midyear Fees and Charges Review</b>		
<b>Date of Meeting:</b>	<b>16 October 2014</b>		
<b>Report of:</b>	<b>Executive Director for Finance &amp; Resources</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Paul Holloway</b>	<b>Tel:</b> 29-2005
	<b>Email:</b>	<a href="mailto:paul.holloway@brighton-hove.gcsx.gov.uk">paul.holloway@brighton-hove.gcsx.gov.uk</a>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 In line with the Corporate Fees & Charges Policy, Life Events services regularly reviews its non-statutory fees and charges and compares all of them with neighbouring local authorities who provide the same or similar services. In addition, comparisons have been made against other local private sector service providers.
- 1.2 Thorough analysis has been undertaken to ensure costs of the provision of the services are fully covered, and that they fit the council's priorities and business objectives within the corporate financial management standards. All Life Events service areas maintain a commitment for a low cost option.
- 1.3 These proposals mitigate the current income shortfalls being experienced in the service area in the current financial year and will place the service on a stronger financial footing for 2015/16.

**2. RECOMMENDATIONS:**

- 2.1 That Policy & Resources Committee approve the fees and charges for Life Events in Appendix 1 (Bereavement Services) and Appendix 3 (Registration) .

**3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 Brighton & Hove City Council adopted a Corporate Fees & Charges Policy in 2008. The main aims of the policy were to ensure that:
  - Fees and charges are reviewed at least annually including consideration of potential new sources of income;
  - Fees and charges are set after comparing with 'statistical nearest neighbours' (or other relevant comparator groups) and taking into account market, legal and other contextual information;
  - Unless set by a statute, fees and charges are set to recover full costs, including central overheads and capital financing, or to a defined subsidy level agreed by the council;
  - Subsidies and concessions are not applied unless approved by members;
  - The impact on financial inclusion is considered when setting fee levels.

## **Life Events' fees and charges**

- 3.2 The high level of service provided by both Bereavement Services and Registration Services is regularly acknowledged in customer feedback. Both services enjoy a high reputation for their customer care and service delivery.
- 3.3 A comprehensive review of all fees and charges in Bereavement Services and Registration Services has been completed. The review has included all non-statutory fees and charges, to ensure full cost recovery. It should be noted that it is not within our power to increase statutory fees. Fees and charges have been benchmarked with neighbouring local authorities and other service providers.
- 3.4 These proposals will generate projected additional income of around £153,000 (approximately £340,000 full-year effect) for Bereavement Services and £7,000 (£20,000 full-year effect) for the Register Office, by the end of this financial year. It must however be appreciated that additional and new services for customers in both the Bereavement and Registration service areas have some risk in terms of their scope for income generation, as they are untried and untested, at a time of financial uncertainty across the wider economy.

## **Bereavement Services**

- 3.5 Until last year, fees and charges in Bereavement Services had only been increased by inflation. For 2014/15, a more comprehensive review took place. In spite of the increases, the cost of our services remained significantly low when compared to our LA competitors and neighbours. There remains a large gap between charges for our services, and charges made by other LA service providers, including our near neighbours, for similar services and or products. . Consequently, it is proposed that fees and charges increases are made to bridge the gap. This is possible and all our fees and charges can remain comparatively low. As previously stated in para 1.2, all Life Events service areas maintain a commitment for a low cost option.
- 3.6 All fees and charges relating to children under the age of 16 will be maintained at current rates. There are no proposed increases.
- 3.7 All fees and charges relating to our recently established woodland burial cemetery development will remain unchanged. There are no proposed increases.
- 3.8 Analysis of the costs of providing bereavement services has highlighted that the fee for our low cost option for cremations, did not cover all of our running costs to provide the service. For this reason, it is proposed that the fee for cremation only, before 9.30am on a weekday, is increased to £300. Whilst this is an increase of 49%, this proposal takes into account the charges made by our competitors, which are, where provided, still significantly higher. For example, Worthing Borough Council charges £360, and Eastbourne District Council charge £590. It is evident that our low fees have benefitted customers from outside the city.

- 3.9 The fee for an adult cremation after 10.00am on a weekday is proposed to increase to £600. Whilst this is an increase of 35%, benchmarking against our neighbours for the same type of service, demonstrates our charge is still competitive. For example, Worthing Borough Council charges £631, with an increase due from 1 January 2015. A further example is for the same type of service at Eastbourne District Council, where a fee of £605 is charged.
- 3.10 In line with our commitment to customer care and high service quality, the cremation fee includes services such as chapel attendants, parking attendants and access to audio visual systems.
- 3.11 It should be noted that Funeral Directors offer a range of funeral packages to customers covering all requirements and budgets. The Local Authority's charges for cremations and burials form only a part of this total cost.
- 3.12 There are some proposals to increase fees and charges by more than the rate of inflation in some cases, such as burial costs. These are generally to reflect increased costs to the council.
- 3.13 The increase in charges covers all running costs and allows provision for business development and improvement, supporting cremator renewal and maintenance of facilities, both in terms of Bereavement Services buildings and cemeteries.

### **Registration Services**

- 3.14 As with Bereavement Services, until last year, fees and charges in Registration Services had only been increased by inflation. For 2014/15, again, a more comprehensive review took place. Increases of an average of 5% were proposed and agreed. Similar again to the Bereavement area, our fees and charges remained incredibly competitive with near neighbours.
- 3.15 Whilst there are some small increases proposed again, provision will still be there for the low cost option of a Register Office ceremony. There will be a statutory fee of £49.00 charged for this service, which is set by government.
- 3.16 It is more difficult to compare like for like services with our neighbouring competitors in Registration. Both East and West Sussex offer a different range of options, in terms of ceremony venues, with for example country mansion options readily available to customers. In Brighton & Hove, whilst we do have Stanmer House and Brighton Pavilion in our portfolio of available ceremony venues, we also offer city centre and seaside type venues, by the very nature of our location.
- 3.17 Research has identified that our services are traditionally in great demand through the spring and summer months, and less in demand through the autumn and winter period. This is evidenced in Appendix 4.
- 3.18 A new approach will see Brighton & Hove Registration service look to offer a range of attractive discounted winter packages, working with our venue partners. It is hoped that this creative approach can increase not only Registration

business and income, but also additional business and income for the city, at times where services, and the city itself, are less busy.

- 3.19 The direct approach to market ceremony packages will it is hoped, encourage people to make Brighton & Hove their destination of choice for ceremonies, throughout the year, and not only during the traditionally busy summer months.
- 3.20 The Registration Service's aim is that customers will be persuaded to come to Brighton & Hove instead of considering other local alternatives.

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

- 4.1 The benchmarking exercise has identified real potential for increasing our fees and charges across both the Bereavement and Registration services. Both have excellent reputations for providing high quality customer focussed services, and there is a need to maximise income generation. The exercise can be achieved whilst remaining low in cost when compared to our LA neighbours and other service providers nearby.
- 4.2 The proposed increase in fees and charges will allow Life Events services to realise additional income. Whilst developing new income streams, particularly in Registration, there will be a consolidation of existing high quality services. Ongoing 6 monthly reviews will provide information on the impact of proposed fees and charges increases.
- 4.3 Comprehensive analysis of service provisions has established that these increases will achieve full cost recovery, as well as allow opportunities for business development and improvement.
- 4.4 Where possible, fees and charges still allow for customer choice and lower cost services remain available.

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

- 5.1 Comments and feedback are welcome as part of Brighton & Hove's budget consultation process. Consultation with the Institute of Cemeteries and Crematorium Management (ICCM) for Bereavement and the General Register Office (GRO) for Registration, has previously established there is not a legal obligation to consult with members of the public about non-statutory fees.

#### **6. CONCLUSION**

- 6.1 It is important for Life Events services fees and charges to realistically ensure cost recovery and also have provision for business development and improvement, as well as supporting cremator renewal and maintenance of facilities.



## 7. FINANCIAL & OTHER IMPLICATIONS:

### Financial Implications:

- 7.1 Bereavement Services and Registration Services have faced difficult income targets for some time now (in 2013/14 the under-achievement for these two areas was £0.378m) which led to a review of fees and charges within the service. This review highlighted that there were some non-statutory fees that did not cover the cost of providing the service and also that some fees were significantly lower than competing/neighbouring authorities. The proposed charges set out in the appendices aims to address these issues.

If the proposals in this report are approved, the expectation is that an extra £0.160m can be achieved in the remainder of 2014/15, which would significantly offset the expected shortfall in these particular income streams of £0.280m for this financial year. This together with other measures, overachievements and spending controls, is expected to drive the service towards an on-target position. With a full year effect of these fee changes, the service would expect to gain some £0.360m in 2015/16, enough to cover the income pressure on Bereavement Services and Registrar's Services (currently expected at a level of £0.325m including inflation) and support a modest savings proposal for the subsequent financial year. There are however risks to the fee increases proposed in this report, as outlined in section 3.4 of the report. The above figures rely on client numbers remaining stable, and for increased numbers being attracted to the packages

*Finance Officer Consulted: Peter Francis Date: 16/09/14*

### Legal Implications:

- 7.2 This report relates to non-statutory fees and charges. It is therefore necessary to identify the power that enables the council to charge for the bereavement and registration services listed in Appendices 1 and 3. For that purpose, the council may use its general power of competence conferred by Part 1, Chapter 1 of the Localism Act 2011 on condition that, taking one financial year with another, the income from charges levied does not exceed the costs of provision.

*Lawyer Consulted: Oliver Dixon*

*Date: 16/09/14*

### Equalities Implications:

- 7.3 An EIA for all fees and charges proposals is being completed.

### Sustainability Implications:

- 7.4 Woodvale Crematorium has recently undergone an upgrade to facilities, including replacement of cremators in compliance with Mercury Abatement legislation. This will assist;

- Projected reductions in air and water pollution from mercury and other toxic emissions, to meet strict environmental standards.

- Reduction in energy consumption and costs by up to £42k per year.
- Carbon emissions will be reduced by as much as 314 Tonnes per year
- The capture and recycling of waste heat, which in turn reduces our carbon footprint, will provide significant energy savings.
- Provision of new energy-efficient lighting to the main driveway. Installation of brand-new efficient state-of-the-art cremation equipment.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

Appendix 1 – Proposed Bereavement Services fee increases.

Appendix 2 – Proposed Registration Services fee increases.

Appendix 3 – Registration Service new fees and packages

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

N/A

### **Background Documents**

N/A



16<sup>th</sup> October 2014

## Bereavement Services: proposed fees and charges 2014/15

The following details the changes to our fees and charges:

Service	Description of Fee	Current Fee 14/15	Proposed New Fee From November 2014	% Increase
Crematorium fees	Foetal remains, a still-birth or a child less than 16 years	£0	£0	0
	Over 16 Monday to Friday Hospital authority/public health act administered 9am & 9:30am	£202	£300	49%
	Over 16 Monday to Friday up to and including 8:30am (no use of chapel, Monday & Tuesdays only)	£202	£300	49%
	Over 16 Monday to Friday up to and including 10:00am	£368	£400	9%
	Over 16 Monday to Friday after 10:00am	£443	£600	35%
	Over 16 weekends and public holidays	£680	£798	17%
	Additional 30 minute period or use of chapel only	£146	£150	3%
	Organs and other body parts (no use of chapel)	£88	£95	8%
	Organist's fee Monday to Friday	£50	£58	15%
Organist's fee Weekend and public holidays	£78	£100	28%	
Disposal of cremated remains	Storage (after first month) per month up to three months	£25	£30	20%
	Witnessed strewing for a person cremated at Woodvale	£45	£55	22%
	Witnessed strewing for a person cremated at another crematorium	£55	£65	18%
	Certified extract from the register of burials per extract	£11	£14	23%
	Despatch by post to UK	£63	£70	11%
	Despatch by post to Scottish Highlands and islands	POA	POA	0%
Burial fees: Purchase of grant of exclusive right of burial	Adult B&H resident - 7 ft by 3 ft	£460	£520	13%
	Adult non-B&H resident	£920	£1,040	13%
	Child B&H resident	£102	£102	0%
	Child non-B&H resident	£204	£204	0%
	Lawn grave for up to two sets of cremated remains B&H resident	£460	£540	17%
	Lawn grave for up to two sets of cremated remains non-B&H resident	£920	£1,040	13%
	Foetal remains, a still-birth or a child less than 16 years	£0	£0	0%
Burial fees: Interment grave	Hospital authority/public health act administered B&H resident	£283	£320	13%
	Hospital authority/public health act administered non-B&H resident	£566	£640	13%
	Over 16 Monday to Friday depth of 1 B&H resident	£561	£600	7%
	Over 16 Monday to Friday depth of 1 non-B&H resident	£1,122	£1,200	7%
	Over 16 Monday to Friday depth of 2 B&H resident	£673	£720	7%

Service	Description of Fee	Current Fee 14/15	Proposed New Fee From November 2014	% Increase
	Over 16 Monday to Friday depth of 2 non-B&H resident	£1,346	£1,440	7%
	Over 16 Monday to Friday depth of 3 B&H resident	£785	£840	7%
	Over 16 Monday to Friday depth of 3 non-B&H resident	£1,570	£1,680	7%
	Over 16 Saturday Sun BH- additional fee B&H resident	£224	£274	22%
	Over 16 Saturday Sun BH- additional fee non B&H resident	£448	£498	11%
	Additional 30 minute period or use of chapel only B&H resident	£146	£150	3%
	Additional 30 minute period or use of chapel only non-B&H resident	£292	£300	3%
	Additional fee for oversized coffins B&H resident	£85	£98	15%
	Additional fee for oversized coffins non-B&H resident	£170	£180	6%
	Organs and other body parts (no use of chapel) B&H resident	£88	£90	2%
	Organs and other body parts (no use of chapel) non-B&H resident	£176	£180	2%
	Organist's fee Monday to Friday B&H resident	£50	£58	15%
	Organist's fee Monday to Friday non-B&H resident	£100	£100	0%
	Organist's fee weekend and additional chapel time periods B&H resident	£78	£90	15%
	Organist's fee weekend and additional chapel time periods non-B&H resident	£156	£180	15%
Burial fees: Interment cremated remains	Monday to Friday B&H resident	£73	£100	37%
	Monday to Friday non-B&H resident	£146	£170	16%
	Interment of cremated remains for every foot greater than three feet B&H resident	£56	£60	7%
	Interment of cremated remains for every foot greater than three feet non-B&H resident	£112	£120	7%
	Provision of a wooden casket with nameplate B&H resident	£80	£92	15%
	Provision of a wooden casket with nameplate non-B&H resident	£160	£184	15%
	Provision of a bio-degradable urn B&H resident	£40	£45	13%
	Provision of a bio-degradable urn non-B&H resident	£80	£90	13%
	Provision of a brown acorn urn B&H resident	£36	£41	14%
	Provision of a brown acorn urn non-B&H resident	£72	£82	14%
	Provision of a cardboard casket (if not cremated at Woodvale) B&H resident	£10	£12	20%
	Provision of a cardboard casket (if not cremated at Woodvale) non-B&H resident	£20	£22	10%
	Certified extract from the register of burials per extract B&H resident	£11	£14	23%
	Certified extract from the register of burials per extract non-B&H resident	£22	£25	14%
Other cemetery charges	Bio-degradable (recycled cardboard) 'Greenfield' coffin	£174	£200	15%

Service	Description of Fee	Current Fee 14/15	Proposed New Fee From November 2014	% Increase
	Use of chapel only	£146	£150	3%
	Temporary grave marker cast aluminium 4x2 inches	£29	£40	38%
	Temporary grave marker wooden cross with brass nameplate 3 feet	£76	£87	14%
	Temporary grave marker wooden cross with brass namesplate 1 foot 6 inches child's	£50	£64	28%
	Woodland tree replacement after first year	£96	£132	37%
	Re-turf adult grave	£80	£85	6%
	Re-turf child grave	£54	£58	7%
	Exhumation of remains (per body)	£0	£0	0%
	Exhumation of cremated remains only	£80	£90	13%
	Transfer of rehistered ownership by probate from will or letters of administration (no will)	£54	£55	2%
	Transfer of registered ownership by statutory declaration	£92	£93	1%
	Brighton and Hove city mortuary	Temporary storage of a body (per day) following a post mortem	£34	£34
Private post mortem		£243	£243	0%
Private high risk post mortem		£675	£675	0%
Removal of a pacemaker at the city mortuary		£39	£39	0%
Private viewing by arrangement between 10am and 4pm Monday to Friday (not Christmas day)		£40	£40	0%
Memorialisation - Remembrance Garden	Remembrance garden log with commemorative plaque for a ten year period	£152	£175	15%
	Remembrance garden log with commemorative plaque option to renew for an additional five years	£76	£87	14%
	Remembrance garden log with commemorative plaque optional motif added to commemorative plaque	£15	£17	13%
	Remembrance garden log with commemorative plaque additional or replacement flower receptacle	£13	£20	54%
	Remembrance garden rose bush with commemorative plaque for a ten year period	£270	£310	15%
	Remembrance garden rose bush with plaque option to renew for an additional five years	£134	£154	15%
	Remembrance garden tree with commemorative plaque for a ten year period	£542	£623	15%
	Remembrance garden tree with commemorative plaque option to renew for an additional five years	£270	£310	15%
	Remembrance garden tree with commemorative plaque provision of yorkstone plinth for an additional plaque	£102	£126	24%
	Remembrance garden children's memorial plaque for a ten year period	£80	£92	15%
	Remembrance garden children's memorial plaque option to renew for an additional five years	£40	£46	15%
	Remembrance garden memorial seat with commemorative plaque for a ten year period	£1,258	£1,445	15%

Service	Description of Fee	Current Fee 14/15	Proposed New Fee From November 2014	% Increase
	Remembrance garden memorial seat with plaque option to renew for an additional five years	£583	£640	10%
	Remembrance garden replacement plaque for remaining period of original purchase	£81	£90	11%
	Remembrance garden replacement plaque for memorial seat for remaining period of original purchase	£94	£108	15%
Memorialisation - Hall of Memory	Hall of memory recordia panel for a ten year period	£155	£180	16%
	Hall of memory option to renew for an additional five years	£77	£90	17%
Memorialisation - Lawn Grave	Lawn graves desktop tablet	£782	£800	2%
	Lawn grave Memorial lettering (per letter) cut and raised lead	£7	£8	15%
	Lawn grave Memorial lettering (per letter) sand blasted and gild	£5	£6	15%
	Lawn grave Supply and fix ceramic photograph	£276	£310	12%
	Lawn grave Additional inscription fee	£34	£76	124%
	Lawn grave Take down/re-fix memorial	£154	£179	16%
Memorialisation - Bulb Remembrance	Bulb remembrance 50 crocus bulbs	£47	£50	6%
	Bulb remembrance 20 daffodil bulbs	£47	£50	6%
Memorialisation - Book of Remembrance	Book of remembrance two line entry	£57	£65	14%
	Book of remembrance five line entry	£97	£110	13%
	Book of remembrance eight line entry	£142	£160	13%
	Book of remembrance floral or other emblem with a five line entry	£163	£180	10%
	Book of remembrance floral or other emblem with a eight line entry	£207	£210	1%
	Book of remembrance service badge crest or shield with floral or other emblem with five line entry	£170	£170	0%
	Book of remembrance service badge crest or shield with floral or other emblem with eight line entry	£213	£213	0%
	Book of remembrance full coat of arms with an eight line entry	£272	£272	0%
Memorialisation - Remembrance Card	Remembrance card two line entry	£47	£50	6%
	Remembrance card five line entry	£69	£69	0%
	Remembrance card eight line entry	£90	£90	0%
	Remembrance card floral or other emblem with a five line entry	£130	£140	8%
	Remembrance card floral or other emblem with a eight line entry	£152	£160	5%
	Remembrance card service badge crest or shield with floral or other emblem with five line entry	£146	£158	8%
	Remembrance card service badge crest or shield with floral or other emblem with eight line entry	£168	£190	13%
	Remembrance card full coat of arms with an eight line entry	£218	£240	10%
Memorialisation - Mini book of Remembrance	Mini book of remembrance two line entry	£80	£80	0%
	Mini book of remembrance five line entry	£101	£101	0%
	Mini book of remembrance eight line entry	£120	£120	0%



Service	Description of Fee	Current Fee 14/15	Proposed New Fee From November 2014	% Increase
	Mini book of remembrance floral or other emblem with a five line entry	£160	£160	0%
	Mini book of remembrance floral or other emblem with a eight line entry	£180	£180	0%
	Mini book of remembrance service badge crest or shield with floral or other emblem with five line entry	£173	£173	0%
	Mini book of remembrance service badge crest or shield with floral or other emblem with eight line entry	£191	£191	0%
	Mini book of remembrance full coat of arms with an eight line entry	£246	£246	0%
Memorialisation - Additional card/book entries	Additional card/book entries two line entry	£26	£35	35%
	Additional card/book entries five line entry	£48	£48	0%
	Additional card/book entries eight line entry	£68	£68	0%
	Additional card/book entries floral or other emblem with a five line entry	£107	£120	12%
	Additional card/book entries floral or other emblem with a eight line entry	£125	£130	4%
	Additional card/book entries service badge crest or shield with floral or other emblem with five line entry	£119	£125	5%
	Additional card/book entries service badge crest or shield with floral or other emblem with eight line entry	£139	£139	0%
	Additional card/book entries full coat of arms with an eight line entry	£195	£195	0%
Permit fee to erect a memorial on a grave	Headstone up to three feet single grave	£90	£100	11%
	Headstone up to three feet double grave	£180	£198	10%
	Headstone up to three feet child	£42	£46	10%
	Tablet	£87	£95	9%
	Kerbset including headstone 4 feet 6 inches x 2 feet (child)	£91	£100	10%
	Kerbset including headstone 7 feet x 3 feet	£165	£180	9%
	Kerbset including headstone 8 feet x 4 feet	£183	£200	9%
	Kerbset including headstone 7 feet x 7 feet	£208	£220	6%
	Kerbset including headstone additional cover slab or chippings	£90	£104	16%
	Additional inscription in memory of person other than that of the person first commemorated adult	£35	£40	14%
	Additional inscription in memory of person other than that of the person first commemorated child	£14	£15	7%
	Vase with inscription adult	£43	£50	16%
	Vase with inscription child	£20	£20	0%
Woodland Valley - Disposal of cremated remains	Witnessed strewing for a person cremated at Woodland Glade or Sea View	£83	£83	0%
Woodland Valley - Burial	Adult - B & H resident - Right of Burial	£660	£660	0%
	Adult - non B & H resident Right of Burial	£1,320	£1,320	0%

Service	Description of Fee	Current Fee 14/15	Proposed New Fee From November 2014	% Increase
fees: Purchase of grant of exclusive right of burial				
Woodland Valley - Burial fees: Interment grave	Over 16 years Monday to Friday depth of 1- B & H resident	£715	£715	0%
	Over 16 years Monday to Friday depth of 1- non B & H resident	£1,430	£1,430	0%
	Over 16 years Monday to Friday depth of 2 - B & H resident	£990	£990	0%
	Over 16 years Monday to Friday depth of 2- non B & H resident	£1,980	£1,980	0%
Woodland Valley - Burial fees: Interment cremated remains	Over 16 years Monday to Friday depth of 1 - B & H resident	£105	£105	0%
	Over 16 years Monday to Friday depth of 1 - non B & H resident	£154	£154	0%
	Over 16 years Monday to Friday depth of 2 - B & H resident	£158	£158	0%
	Over 16 years Monday to Friday depth of 2 - non B & H resident	£209	£209	0%
Woodland Valley - Memorialisation	Casket for ashes	£80	£80	0%
	Acorn urn for ashes	£36	£36	0%
Woodland Valley - Transfer of registered ownership	Statutory declaration - B & H resident	£92	£92	0%
	Statutory declaration - non B & H resident	£54	£54	0%
	Probate or other transfers - non B & H resident	£92	£100	9%
	Probate or other transfers -B & H resident	£54	£55	2%
Woodland Valley - Permit fee to erect a memorial on a grave	Woodland valley wooden memorial	£1	£1	0%

16<sup>th</sup> October 2014

Registration Services: proposed fees and charges 2014/15

The following details the changes to our fees and charges:

Service	Description of Fee	Current Fee 14/15	Proposed New Fee From November 2014	% Increase
Registrars - Certificates	Fee at time of registration (birth, death marriage, civil partnership)	£4.00	£4.00	0%
	Fee after the registration (birth, death, marriage)	£7.00	£7.00	0%
	Fee after the registration (civil partnership)	£10.00	£10.00	0%
	Superintendent registrar's fee (birth, death, marriage)	£10.00	£10.00	0%
	Priority service (on top of usual charge)	£10.00	£10.00	0%
	Express 'while you wait' certificate service	£30.00	£30.00	0%
Registrars - Preliminaries for marriages & civil partnerships	Enter notice of marriage/civil partnership	£35.00	£35.00	0%
	Pre-ceremony meeting Monday to Friday	£55.00	£55.00	0%
	Pre-ceremony meeting Saturday	£110.00	£110.00	0%
	Ceremony amendment fee	£28.00	£30.00	7.1%
Registrars - Marriages & civil partnerships (excluding certificate): Standard Ceremonies	Register office	£45.00	£46.00	2%
	Regency room Monday to Thursday	£107.00	£152.00	42%
	Regency room Friday	£197.00	£217.00	10%
	Regency room Saturday	£318.00	£342.00	8%
	Regency room Sunday & ordinary bank holidays	£458.00	£441.00	-4%
	Fitzherbert room Monday to Thursday	£90.00	£92.00	2%
	Fitzherbert room Friday	£102.00	£102.00	0%
	Fitzherbert room Saturday	£187.00	£342.00	83%
	Other approved venues Monday to Thursday	£405.00	£417.00	3%
	Other approved venues Friday	£441.00	£452.00	2%
	Other approved venues Saturday	£458.00	£467.00	2%
	Other approved venues Sunday & ordinary bank holidays	£557.00	£567.00	2%
Registrars - Marriages & civil partnerships (excluding certificate): Evening Ceremonies	Regency room Monday to Thursday	£252.00	£252.00	0%
	Regency room Friday	£302.00	£302.00	0%
	Regency room Saturday	£452.00	£452.00	0%
	Regency room Sunday & ordinary bank holidays	£542.00	£542.00	0%
	Other approved venues Monday to Thursday	£452.00	£452.00	0%
	Other approved venues Friday	£452.00	£452.00	0%
	Other approved venues Saturday	£502.00	£502.00	0%
	Other approved venues Sunday & ordinary bank holidays	£602.00	£602.00	0%
Registrars - Marriages & civil partnerships (excluding certificate):	Regency room Monday to Thursday	£107.00	£107.00	0%
	Regency room Friday	£172.00	£172.00	0%
	Regency room Saturday	£297.00	£297.00	0%
	Regency room Sunday & ordinary bank holidays	£396.00	£396.00	0%
	Other approved venues Monday to Thursday	£372.00	£372.00	0%

Service	Description of Fee	Current Fee 14/15	Proposed New Fee From November 2014	% Increase
Conversion Ceremonies	Other approved venues Friday	£407.00	£407.00	0%
	Other approved venues Saturday	£422.00	£422.00	0%
	Other approved venues Sunday & ordinary bank holidays	£522.00	£522.00	0%
Registrars - Renewal of vows: Register office & regency room	Monday to Friday	£196.00	£152.00	-22.4%
	Saturday	£280.00	£342.00	22.1%
	Sunday & ordinary bank holidays	£393.00	£441.00	12.2%
Registrars - Renewal of vows: Other approved venues	Monday to Friday	£427.00	£452.00	5.9%
	Saturday	£462.00	£467.00	1.08%
	Sunday & ordinary bank holidays	£548.00	£567.00	3.5%
Registrars - Naming ceremony: Register office & regency room	Monday to Friday	£196.00	£152.00	-22.4%
	Saturday	£280.00	£342.00	22.1%
	Sunday & ordinary bank holidays	£393.00	£441.00	12.2%
Registrars - Naming ceremony: Other approved venues	Monday to Friday	£427.00	£452.00	5.9%
	Saturday	£462.00	£467.00	1.08%
	Sunday & ordinary bank holidays	£548.00	£567.00	3.5%
Registrars - Nationality checking service	Adult	£67.00	£75.00	12%
	Child	£56.00	£75.00	34%
	Sunday private ceremony	£280.00	£280.00	0%
	Cancellation fee	£12.00	£12.00	0%
	Premium appointment fee	£12.00	£12.00	0%
Registrars - Citizenship ceremonies	Home office payment	£80.00	£80.00	0%
	Brighton town hall private ceremony Monday to Thursday	£112.00	£112.00	0%
	Brighton town hall private ceremony Friday	£168.00	£168.00	0%
	Brighton town hall private ceremony Saturday	£255.00	£255.00	0%
	Approved venue private ceremony Monday to Friday	£370.00	£370.00	0%
	Approved venue private ceremony Saturday	£400.00	£400.00	0%
	Approved venue private ceremony Sunday & bank holiday	£488.00	£488.00	0%
Registrars - Licensing for approved marriage venues	One room	£1,518.00	£1,518.00	0%
	Two rooms	£1,881.00	£1,881.00	0%
	Three rooms	£2,257.00	£2,257.00	0%
	Additional rooms	£242.00	£242.00	0%
Registrars - Extra fees	Priority service fee	£10.00	£10.00	0%
	Appointment cancellation fee	£35.00	£35.00	0%
	Appointment no show penalty charge	£35.00	£35.00	0%
	AP ceremony cancellation charge	£65.00	£100.00	53.8%
	Register office ceremony cancellation charge	£0.00	£54.00	new

Service	Description of Fee	Current Fee 14/15	Proposed New Fee From November 2014	% Increase
	Religious venues ceremony- cancellation charge	£0.00	£86.00	new
Registrars - Name deeds	Adult	£52.00	£52.00	0%
	Extra Copy	£10.00	£10.00	0%
	Child	£58.00	£58.00	0%
Registrars - Retail	Bubble blowers	£0.50	£0.50	0%
	Rice confetti	£2.40	£2.50	4.1%
	DVD of ceremony original copy	£76.00	£76.00	0%
	DVD of ceremony additional copies	£6.60	£6.60	0%
	Internet broadcast of ceremony	£77.00	£77.00	0%
	Pack of invitations	£2.00	£2.00	0%
	Lamination of certificates	£1.80	£1.80	0%
	Baby wall chart	£5.00	£5.00	0%
	Wall chart	£5.00	£5.00	0%
	Union Jack flags	£1.00	£1.00	0%
	Union Jack umbrella	£5.00	£5.00	0%
	Paperweight	£8.00	£8.00	0%
Registrars - Other Services				
	Alternative ceremony package Monday to Friday	£425.00	£425.00	0%
	Alternative ceremony package Saturday	£441.00	£441.00	0%
	Alternative ceremony package Sunday & bank holiday	£536.00	£536.00	0%
	Alternative ceremony package special days	£631.00	£631.00	0%
	RG's Licence (fee payable to GRO)	£15.00	£15.00	0%
	Notice fee housebound	£47.00	£47.00	0%
	Notice fee detained	£68.00	£68.00	0%
	SR attendance housebound	£84.00	£84.00	0%
	SR attendance detained	£94.00	£94.00	0%
	Registrar attendance housebound	£81.00	£81.00	0%
	Registrar attendance detained	£86.00	£86.00	0%
	Registrar attendance church	£86.00	£86.00	0%
	Certification of church for worship	£29.00	£29.00	0%
	Registration of building for marriages	£123.00	£123.00	0%
	Registration of building for marriages for same sex couples (building previously registered for marriage)	£64.00	£64.00	0%
	General Search	£18.00	£18.00	0%



**Proposed new services**

**1) New Conversion ceremonies proposed fees (new service)**

These ceremonies are non-statutory and are intended to provide the option of a celebratory ceremony to couples who are converting their civil partnership to a marriage. The suggested fees mirror those of a marriage ceremony with the statutory fee of £45 deducted.

Conversion ceremonies (From December 10 <sup>th</sup> 2014)	Proposed fee	See note 1 for further explanation
Conversion ceremony: Regency Room Monday to Thursday	£107	This fee is based on the proposed mid-year fee of £152 for marriage ceremonies – less £45 payable by central government up until and including December 9 <sup>th</sup> 2015
Conversion ceremony: Regency Room Friday	£172	This fee is based on the proposed mid- year fee of £217 for marriage ceremonies – less £45 payable by central government up until and including December 9 <sup>th</sup> 2015
Conversion ceremony: Regency Room Saturday	£297	This fee is based on the proposed mid- year fee of £342 for marriage ceremonies – less £45 payable by central government up until and including December 9 <sup>th</sup> 2015
Conversion ceremony: Regency Room Sunday and ordinary bank holidays	£396	This fee is based on the proposed mid- year fee of £441 for marriage ceremonies – less £45 payable by central government up until and including December 9 <sup>th</sup> 2015
Conversion ceremony: Regency Room Special days	£396	This fee is based on the proposed mid- year fee of £441 for marriage ceremonies – less £45 payable by central government up until and including December 9 <sup>th</sup> 2015
Conversion ceremony: approved venues Monday to Thursday	£372	This fee is based on the proposed mid- year fee of £417 for marriage ceremonies – less £45 payable by central government up until and including December 9 <sup>th</sup> 2015
Conversion ceremony: approved venues Friday	£407	This fee is based on the proposed mid-year fee of £452 for marriage ceremonies – less £45 payable by central government up until and including December 9 <sup>th</sup> 2015
Conversion ceremony: approved venues Saturday	£422	This fee is based on the proposed mid- year fee of £467 for marriage ceremonies – less £45 payable by central government up until and including December 9 <sup>th</sup> 2015
Conversion ceremony: approved venues Sunday and ordinary bank holidays	£522	This fee is based on the proposed mid- year fee of £567 for marriage ceremonies – less £45 payable by central government up until and including December 9 <sup>th</sup> 2015

**2) Winter package offers**

Winter fees (chargeable between January 1 <sup>st</sup> 2015- March 31 <sup>st</sup> 2015)	Current Fee (exc certificate)	Proposed winter fee 2014/15 25% discount of <b>current</b> fees (exc certificate)	Unit costs	See note 2 for further explanation
Marriages & civil partnerships: Regency Room Monday to Thursday	£107.00	£80	Unit cost =£47.16 Profit = £32.84	Proposed discount based on current fee of £107 less 25% = £80.25
Marriages & civil partnerships: Regency Room Friday	£197.00	£150	Unit cost =£47.16 Profit = £102.84	Proposed discount based on current fee £197 less 25% = £147.75
Marriages & civil partnerships: Regency Room Saturday	£318.00	£240	Unit cost = £158.34 Profit = £81.66	Proposed discount based on current fee £318 less 25% = £238.50
Marriages & civil partnerships: Regency Room Sunday and ordinary bank holidays	£458.00	£345	Unit cost = £158.34 Profit = £186.66	Proposed discount based on current fee £458 less 25% = £343.50
Marriages & civil partnerships: Regency Room Special days	£458.00	£345	Unit cost = £47.16 Profit = £297.84	Proposed discount based on current fee £458 less 25% = £343.50
Marriages & civil partnerships: at other approved venues Monday to Thursday	£405.00	£305	Unit cost = £141.48 Profit = £163.52	Proposed discount based on current fee £405 less 25% = £303.75
Marriages & civil partnerships: at other approved venues Friday	£441.00	£330	Unit cost = £141.48 Profit = £188.52	Proposed discount based on current fee £441 less 25% = £330.75
Marriages & civil partnerships: at other approved venues Saturday	£458.00	£345	Unit cost = £158.34 Profit = £186.66	Proposed discount based on current fee £458 less 25% = £343.50
Marriages & civil partnerships: at other approved venues Sunday and ordinary bank holidays	£557.50	£420	Unit cost =£158.34 Profit = £261.66	Proposed discount based on current fee £557.50 less 25% = £418.12
Marriages & civil partnerships: at other approved venues Special days	£557.50	£420	Unit cost =£141.48 Profit = £278.52	Proposed discount based on current fee £557.50 less 25% = £418.12
Marriages & civil partnerships at Fitzherbert Room Monday to Thursday	£92 (0%)	£70	Unit cost = £47.16 Profit = £22.84	Proposed discount based on current fee £97 less 25% = £69
Marriages & civil partnerships at Fitzherbert Room Friday	£102 (0%)	£76	Unit cost = £47.16 Profit = £28.84	Proposed discount based on current fee £102 less 25% = £76.50



Marriages & civil partnerships at Fitzherbert Room Saturday	£342.00	£256	Unit cost = £158.34 Profit = £97.66	Proposed discount based on new fee £342 less 25% = £256.50
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### 3) Evening ceremonies

Extended ceremony times (24 hours) After 7pm	Suggested Pilot Fee	Proposed Mid year fee 2014/15		See note 3 for further explanation
Marriages & civil partnerships: Regency Room Monday to Thursday	£197	£252	Unit cost = £158.34	Remove availability
Marriages & civil partnerships: Regency Room Friday	£318	£302	Unit cost = £158.34	
Marriages & civil partnerships: Regency Room Saturday	£458	£452	Unit cost = £158.34	
Marriages & civil partnerships: Regency Room Sunday and ordinary bank holidays	£618	£542	Unit cost = £158.34	
Marriages & civil partnerships: Regency Room Special days	£618	£542	Unit cost = £158.34	
Marriages & civil partnerships: at other approved venues Monday to Thursday	£441	£452	Unit cost = £158.34	Remove availability
Marriages & civil partnerships: at other approved venues Friday	£458	£452	Unit cost = £158.34	
Marriages & civil partnerships: at other approved venues Saturday	£557	£502	Unit cost = £158.34	
Marriages & civil partnerships: at other approved venues Sunday and ordinary bank holidays	£718	£602	Unit cost = £158.34	
Marriages & civil partnerships: at other approved venues Special days	£718	£602	Unit cost = £158.34	

### Note 1 – Conversion Ceremonies

Conversion ceremonies - these ceremonies are non-statutory and are intended to provide the option of a celebratory ceremony to couples who are converting their civil partnership to a marriage. Conversion costs are to be funded by central government and so the suggested fees mirror those of a marriage ceremony with the statutory fee of £45 deducted. To date 05/09/14 there are 7 ceremonies booked and 60 simple conversions without ceremonies.

### Note 2 - Winter package offers

Evidential statistics show that wedding and other ceremonies are not as popular during the period of January 1<sup>st</sup>- March 31<sup>st</sup> and so in an attempt to attract new business and to ensure marriage is affordable, we propose to offer discount packages during this period. This offer forms part of a larger marketing strategy to promote ceremonies in Brighton and Hove. To date, so far there are 92 ceremonies scheduled between January 1<sup>st</sup> March 31<sup>st</sup> 2015.

Number of Marriages	2010/11	2011/12	2012/13	2013/14
April – June	325	335	407	331
July-September	458	496	476	478
October - December	234	270	273	222
January - March	144	193	174	142

### Note 3 - Statistics

The law now allows ceremonies to take place in the evening. The pilot has not proved overwhelmingly popular with only 3 ceremonies taking place so far since April. The proposal is to implement piloted fees with minor adjustments and to remove weekday availability. So far all evening ceremonies have taken place at the weekend.

<b>Subject:</b>	<b>Outcomes from the Adult Drug and Alcohol Recovery Procurement Process</b>		
<b>Date of Meeting:</b>	<b>16 October 2014.</b>		
<b>Report of:</b>	<b>Tom Scanlon, Director Of Public Health</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Kerry Clarke and Peter Wilkinson</b>	<b>Tel: 29-5491</b>
	<b>Email:</b>	<b><a href="mailto:Kerry.Clarke@brighton-hove.gcsx.gov.uk">Kerry.Clarke@brighton-hove.gcsx.gov.uk</a></b>	
<b>Ward(s) affected:</b>	<b>All Wards</b>		

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

- 1.1 In July 2013 the Policy and Resources Committee considered a paper from the Director of Public Health on the “renewal of Public Health contracts” which outlined the proposals for the Public Health contracts which had transferred to the local authority from the NHS. The committee agreed to the contract transfer arrangements and the procurement plans for a number of service contracts which included the Adult Drug and Alcohol Services.
- 1.2 The reprocurement process has now been completed and the preferred bidder identified. The recommendation to award the contract to the preferred bidder will be considered by the Health and Wellbeing Board at its meeting on the 14<sup>th</sup> October 2014 (see Appendix 1) and the extracts from the proceedings of the Board will be tabled at the meeting of this committee on 16<sup>th</sup> October. The Policy and Resources Committee is now being asked to agree with this decision and to the awarding of the financial resources. This report is referred to Policy and Resources Committee for decision as it is a follow up report to the Policy and Resources Committee decision in July 2013 and in view of the corporate budgetary implications of the procurement.
- 1.3 The appendix to this covering report is the paper going to the Health and Wellbeing Board on the 14<sup>th</sup> October 2014 and provides the details about the procurement process and the preferred bidder together with their partnership arrangements.

**2. RECOMMENDATIONS:**

- 2.1 That the Policy & Resources Committee agrees that the Adult Drug and Alcohol Recovery Service contract is awarded to Cranstoun as the lead provider in the Pavilions Partnership at a value not exceeding £15.6m over a three year period, subject to the Director of Public Health being satisfied about the detailed delivery arrangements; and authorises the Director of Public Health to award this contract upon being satisfied as to the delivery arrangements, and to take all necessary steps in connection with the letting of the contract.

- 2.2 That the Policy & Resources Committee agrees to grant delegated powers to the Director of Public Health to extend the contract at the end of the three year term, with the potential to extend the contract for a further two years if he deems it appropriate

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

- 3.1 The Policy and Resources Committee agreed in July 2013 to the extension of the Adult Drug and Alcohol Service agreements until March 2015 to enable the procurement process to be completed.
- 3.2 The decision to re-procure was informed by national policy drivers, particularly the strategic focus on recovery, and BHCC advice which are outlined in paragraph 3.4 of the Health & Wellbeing Board's report attached as Appendix 1 to this report.
- 3.3 The procurement process began in mid 2013. In line with procurement regulations the process was fair, equitable, robust and transparent as detailed in 3.6 to 3.17 of Appendix 1.
- 3.4 The resulting bid put forward as the recommended provider is named Pavilions Partnership, led by the charity Cranstoun, and includes an NHS provider as well as local community and voluntary sector providers and service user led initiatives, who are already delivering local drug and alcohol services. Also, supporting Cranstoun's proposal and the delivery of the core new service, is an array of other partnerships and relationships, with 'shared-care delivery partners', established with other provider authorities and agencies. This is detailed in sections 3.18 to 3.24 of the report in Appendix 1.
- 3.5 Given the importance of the delivery arrangements, conditions attached to the contract will be put in place, and confirmed during the mobilisation period taking into account changes for the existing service users to minimise any disruption caused as a result of the new delivery model. Commissioners will also ensure that Cranstoun will engage with communities and ward councillors about changes to service delivery directly affecting their local communities.
- 3.6 This proposal will bring an 8% savings and added value to the Public Health budget as detailed in 3.26 of the report in Appendix 1.
- 3.7 The Council has complied with its duty in relation to TUPE with the potential transfer of staff and is detailed in section 3.28 of the report in Appendix 1.

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

- 4.1 Where services are delivered externally (as is the case here), the options are to continue this arrangement, or bring the service in house. Given the nature of this service, it is not considered realistic for it to be delivered in house. Continuing with the current arrangement to have the service delivered externally brings with it a requirement to ensure that best value is achieved. The process followed (as described above) enables the council to satisfy this best value requirement.

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

- 5.1 Extensive public engagement and stakeholder consultation was an integral element of the process, as described.

## **6. CONCLUSION**

- 6.1 The evaluation panel would like to recommend that the contract is awarded to the Pavilions Partnership with specified conditions attached during the mobilisation period of October to March 2015.

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

### 7.1 Financial Implications:

As per the report to the Health & Wellbeing Board (Appendix 1)

### 7.2 Legal Implications:

As per the report to the Health & Wellbeing Board (Appendix 1)

### 7.3 Equalities Implications:

As per the report to the Health & Wellbeing Board (Appendix 1)

### 7.4 Sustainability Implications:

No implications

### 7.5 Crime & Disorder Implications:

The decision to endorse the procurement process agreed at Safe in the City Partnership and regular uptakes on the process were considered.

Probation, Police and Community Safety were involved in the consultation and development of the initial tender.

Probation were a key partners during the evaluation process and are in agreement with the recommendation being put to the Policy and Resources Committee

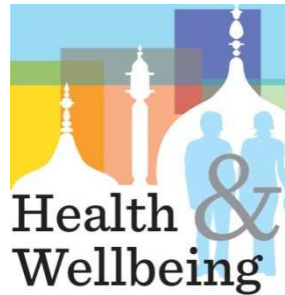
## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Outcomes from the Adult Drug and Alcohol Recovery Procurement Process.

### **Background Documents**

1. Previous reports to P&R Committee.



*Although a formal committee of the city council, the Health & Wellbeing Board has a remit which includes matters relating to the Clinical Commissioning Group (CCG), the Local Safeguarding Board for Children and Health Watch. Papers come from a variety of sources. The format for Health & Wellbeing Board papers is consequently different from papers submitted to the city council for exclusive city council business.*

### **Summary:**

In July 2013, the Policy and Resources Committee agreed for Public Health to commence the procurement process for the new Adult Drug and Alcohol services contract with a greater focus on recovery. This report describes the procurement process that has led to the preferred bidder being recommended for approval by the Health and Wellbeing Board and Policy and Resources Committee. If approved the responsibility for providing the local services will transfer to a new partnership from April 2015. Currently the service is provided by local community and voluntary sector partners and an NHS provider. The new partnership, led by the preferred bidder, will include a different NHS provider together with several local community and voluntary sector organisations which already provide drug and alcohol services. This report is referred to Policy & Resources Committee for decision as it is a follow up report to the Policy and Resources Committee decision in July 2013 and in view of the corporate budgetary implications of the procurement.

## **1. Formal details of the paper**

### **1.1. Title of the paper**

**Outcomes from the Adult Drug and Alcohol Recovery Procurement Process**

### **1.2 Who can see this paper?**

Everyone

### **1.3 Date of Health & Wellbeing Board meeting**

14 October 2014

#### 1.4 Author of the Paper and contact details

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## 2. Decisions, recommendations and any options

- 2.1 That the Health & Wellbeing Board recommends to Policy & Resources Committee that the Adult Drug and Alcohol Recovery Service contract is awarded to Cranstoun as the lead provider in the Pavilions Partnership at a value not exceeding £15.6m over a three year period, subject to the Director of Public Health being satisfied about the detailed delivery arrangements; and authorises the Director of Public Health to award this contract upon being satisfied as to the delivery arrangements, and to take all necessary steps in connection with the letting of the contract.
- 2.2 That the Health & Wellbeing Board recommends to Policy & Resources Committee that it further grants delegated powers to the Director of Public Health to extend the contract at the end of the three year term, with the potential to extend the contract for a further two years if he deems it appropriate

## 3. Relevant information

- 3.1 In July 2013 the Policy and Resources Committee considered a paper from the Director of Public Health on the “renewal of Public Health contracts” which outlined the proposals for the Public Health contracts which had transferred to the local authority from the NHS. The committee agreed to the contract transfer arrangements and the procurement plans for a number of service contracts which included the Adult Drug and Alcohol Services.
- 3.2 The Policy and Resources Committee also agreed for the extension of the Drug and Alcohol Service agreements until March 2015 to enable the commissioning process to be completed and the contract to be awarded following a fair, equitable and transparent process.





- 3.3 NHS Brighton and Hove had been the commissioner of Substance Misuse services for many years, with the Public Health Specialist Team leading the process for the two years prior to the transfer to the Local Authority in 2013. There had been no recent market testing or re-commissioning prior to the transfer of these services in 2013, resulting in 19 different agreements and contracts for Drug and Alcohol services alongside 12 locally enhanced community pharmacy scheme agreements which have been rolled forward over that time. These agreements and contracts are with a range of different providers, including NHS and a number of local third sector organisations.
- 3.4 Advice from BHCC procurement and legal departments to re-procure community Drug and Alcohol services was endorsed by the Drug and Alcohol Action Team (DAAT), Joint Commissioning Group (JCG) and Safe in the City Partnership Board. These groups play key roles in the commissioning and delivery of substance misuse services. The decision to re-procure was also informed by national policy drivers which include:
- § Two recent national strategies, (Drug Strategy 2010, Reducing demand, restricting supply, building recovery: supporting people to live a drug free life and the Government’s Alcohol Strategy 2012). These policies changed the approach from a harm reduction and maintenance model to a recovery focused model with the service users integral to design and delivery.
  - § National policy directives that services need to be able to respond to the changing pattern of substance use and take a whole pathway approach.
  - § Furthermore the commissioning model must be compliant with Brighton & Hove City Council’s Contract Standing Orders.
- 3.5 For the purpose of this future service, ‘Service users’ include substance users or those affected by others’ using any substance, as described in 2010 Drug Strategy and 2012 Alcohol Strategy. This includes: illicit drugs, ‘legal highs’, performance and image enhancing drugs, over the counter and prescribed medicines.
- 3.6 The procurement process began in mid 2013 overseen by a working group comprising legal, procurement, public health commissioning and the DAAT/JCG. The process was also informed by a regional

Public Health England led action learning set for commissioners on procurement for Adult Drug and Alcohol Services.

- 3.7 Extensive consultation was undertaken to support the development of the new recovery focused service specification. Given the complex nature of substance misuse and alcohol services, external support was commissioned to carry out this consultation. The Centre for Public Innovation (CPI) was selected to provide this support across a series of individual and group face-to-face and telephone consultation sessions. An online survey was also undertaken reaching 250 people from the local community. This enabled a large number of relevant stakeholders to give feedback.
- 3.8 This consultation informed the development of the service specification, which was finalised jointly with commissioners across health and other parts of the council as well as service users and regional colleagues. The aim was to create a recovery orientated service for adult drug and alcohol users in Brighton & Hove that would be outcome focused, with creative approaches to service provision through new ways of working and by building on existing good practice.
- 3.9 This process puts service users' needs at the centre of the service as opposed to modifying exiting historical agreements. The outcomes agreed in the service specification put recovery and re-integration as a goal from the outset which is a change from harm minimisation and maintenance.
- 3.10 The aims of the new Recovery Service are:
- To enable service users to live free from the harms of using drugs and alcohol.
  - To increase service users involvement in employment, education and training.
  - To support the improvement of mental health and emotional wellbeing of individual service users, carers, families and children.
  - To support service users to reduce their involvement in substance related offending.
  - To implement a health promotion approach to reduce harm from drugs and alcohol in the general population.

- 3.11 These aims are not distinct from each other and need to be thought of as a continuum in order to create opportunities, services and activities that serve local citizens best.
- 3.12 The specification did *not* include the contracts for in-patient detoxification beds and residential rehabilitation. These will remain under the present arrangements which are that Sussex Partnership Foundation Trust provides the detoxification beds and Brighton Housing St Trust and the St Thomas Fund provide the residential rehabilitation spaces.
- 3.13 Following the development of the new specification, from March to September 2014, a commissioner led process was put in place. This comprised:
- The co-designed, outcomes based specification.
  - Setting up an evaluation panel including representatives from public health, probation, children services, housing, Clinical Commissioning Group, Department of Work and Pensions and service users.
  - A soft market testing event which described what Public Health was expecting from the new Recovery Service and confirmed the procurement process. This enabled feedback to be provided which was included in the final specification.
  - The completion of a Substance Misuse Needs Assessment, an Alcohol Needs Assessment and an Equality Impact Assessment, all of which were released to bidders alongside the needs assessment for Community Safety and Mental Health.
  - Reference to the Independent Drugs Commission that reported in April 2014, with an expectation that the bidder would take the recommendations into consideration.
  - A bidders' briefing which described the outcomes based specification, with a focus upon a personalised approach and confirmed that the commissioners were looking to award a single contract with delivery undertaken by a joint partnership.
  - A two stage tendering process with a dialogue period allowed for each submission including a clarification meeting with the evaluation panel, a clarification meeting with local pharmacy and primary care representatives and a series of dialogue meetings on the detail of each bidder's submissions.

- 3.14 Throughout the process the potential providers have been aware that an internal decision would be reached on whether or not to continue with the Injectable Opioid Treatment programme.
- 3.15 The Invitation to Tender document was published on the 21<sup>st</sup> March 2014 with a deadline for receipt of proposals by 20<sup>th</sup> May 2014. This resulted in four initial submissions and following an initial evaluation, three bidders were taken forward into the two stage process described above.
- 3.16 Bids were evaluated on the basis of the quality, partnership working and cost as set out below:
- Proposals have been evaluated on price (30%) and quality (70%).
  - Quality was divided into two sections: service delivery (70%) and partnership (30%)
- 3.17 The key areas assessed as part of the quality section were:
- Achievement of outcomes across the specification
  - Treatment and harm reduction services with a single access point and individual recovery co-ordinators
  - The integration of care of people with dual diagnosis under a single plan
  - Working with the criminal justice system
  - Working with local GPs and pharmacists
  - Working in hostels and alongside the street populations.
  - Safeguarding arrangements and service delivery for adults and, where service users were parents, implementing a response that seeks to keep families safe together.
  - Provision that would reduce Accident and Emergency first and repeat presentations and admissions.
  - Increasing access and engagement with education, training and employment opportunities and to build individual financial resilience.
  - Work with the service users to build recovery capital.
  - The support provided to the local recovery system.
  - Provision of services for the wider community through health promotion and training.
  - Proposed performance measures and stretch targets.

- The partnership working included assessment of:
  - Clinical governance
  - Competency of workforce
  - Information sharing, risk assessments and care planning processes
  - Performance management structures
  - Contribution to social capital
  - Branding media and communication plans

3.18 The bid put forward as the recommended provider is called Pavilions Partnership, led by Cranstoun. Cranstoun is a Surrey based charity established in 1969 offering support and treatment to those affected by substance use.

3.19 Delivery of the service will be undertaken by a consortium of ‘direct delivery partners’, led by **Cranstoun**, whose focus will be service users, their needs and achievement of the local service specification outcomes.

3.20 Supporting Cranstoun’s proposal and the delivery of the core new service, is an array of other partnerships and relationships, with ‘shared-care delivery partners’, established with other provider authorities and agencies. The confirmed partners and their roles in the partnership are as follows:

Partner	Which provision the partner will lead
Cranstoun.	Cranstoun will provide the contract management and strategic leadership. They will deliver access and engagement services, including outreach, satellite services and in-reach within other services and communities. Cranstoun will provide a broad range of harm reduction, psychosocial interventions and manage the wider health promotion agenda, peer mentoring programme and build upon mutual aid (co-facilitating SMART recovery where appropriate). Cranstoun will lead and manage the Education, Employment and Training opportunities, social & leisure activities, criminal justice response, the volunteer programme; and broker people into the wider networks within the Brighton & Hove community to sustain recovery beyond treatment. Cranstoun will lead on service user involvement and integrate this into the structure of the service, both in mobilisation and beyond.



Surrey & Borders Partnership NHS Foundation Trust	An NHS provider of specialist mental health, drug and alcohol and learning disability service. Surrey and Borders NHS Foundation Trust will deliver pharmacological & health-related services. This includes being the lead partner in the delivery of the integrated mental health and substance misuse pathway and the management of complex needs clients. They will also take the Clinical Governance Lead role for the service.
EquinoxCare	Interventions related to street outreach, including engagement and access services, working across alcohol and drugs, together with targeted work with homeless and those with challenging housing issues. Discussions have also included provision around rough sleeper's services.
Brighton Oasis Project	Organisational input and support in the areas of specialist women's services, parenting programmes and one to one work, children and families interventions and crèche facilities (development, expansion and broadening of current provision)
Brighton Housing Trust	Specialist housing/homelessness input and links to Criminal Justice system.
SMART Recovery	The SMART Recovery local provision is a well establish and respected set of local self-help network groups that use a secular and science based approach to address addiction through motivational, behavioural and cognitive interventions. These voluntary sector groups are run by local people and it is the intention for Cranstoun to expand their existing contract to include the provision of specific services for Brighton & Hove.
Cascade Creative Recovery	This service is run by people with experience of active recovery from addiction providing supportive peer-led services across the city. Cascade will offer support for mentoring initiatives, development of wider mutual support networks and undertaking the role of 'critical friend'.



Mind in Brighton & Hove	Discussions thus far have included consideration of their current role and function as host to service user engagement and representation activity. Cranstoun are seeking to further develop and enhance this area of work and broaden out MIND's offer to a more integrated input in the area of mental health and substance misuse.
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- 3.21 The overall partnership approach will be underpinned and supported by 'Recovery support partners' and networks. Direct delivery partners have been selected by Cranstoun by virtue of the respective agency competence and specialism, sought for the delivery of Pavilions service offer and their local presence and connectedness. Whilst some partners are already locally connected, the Cranstoun and Pavilions approach is designed to make the integrated and coordinated.
- 3.22 Pavilions, the service, will build upon and enhance positive local work and relationships, focussing provision on recovery and outcomes. The Pavilions proposal offers a single recognisable identity and brand, with Service-Users at the centre and integral to design and delivery.
- 3.23 It is intended that Pavilions will actively engage with the key local and existing shared care partners across primary, statutory and public care to enable service users to get the service they deserve and the city to achieve outcomes sought. They intend to connect strategically and structurally within the variety of forum and meetings already in place and much of this work will be undertaken during mobilisation.
- 3.24 It is anticipated that better integration and joint working will be achieved by frontline staff, with joint working protocols and arrangements being determined, agreed and planned during mobilisation, then delivered during implementation and beyond. Cranstoun have confirmed that Pavilions will actively seek direct input and involvement, in furtherance of service users' outcomes, with wider partner agencies e.g. with hospitals and mental health services; with social care, children's and safeguarding authorities.



3.25 Given the importance of the delivery arrangements, we have asked Cranstoun for more details of how the partnership will be legally structured, and it is recommended that the contract is made subject to a pre-condition requiring the council to be satisfied about the details of the partnership arrangements before the service begins. This will require Cranstoun to confirm the outcomes to be delivered by individual partners, how partners (including direct delivery and integrated delivery) will work together, governance structures to ensure quality, safety and consistency, confirmation of single and joint assessment processes, details on joint planning and care reviews, risk assessments, information sharing arrangements, co-location of staff details, clinical care pathway details, and the respective roles and responsibilities that individual partners will have in the new recovery focused service.

The contract will be managed by the council through a management steering group and quality assurance meetings.

The mobilisation period, which will be from P&R Committee agreement to April 2015, will enable the commissioner and partnership to develop a robust and clear implementation plan taking account of changes for service users.

The evaluation panel concluded that the submission from Pavilions provided the strongest partnership arrangements with a single brand across the services. This was demonstrated through:

- Response to the evaluation questions which met the requirements outlined
- Partnership representation during the dialogue sessions.
- Evidence of working with the commissioners and listening to the feedback, speaking further to local partners and presenting change in final submissions

3.26 This is a cost effective delivery model and will complete a process that makes approximately 8% savings to the Public Health budget. The proposal also brings added value through:

- The free access to additional rehabilitation beds (value 58K)
- New agreements with three Boots pharmacies to make use of their facilities locally in the recovery journey

3.27 Where services are delivered externally (as is the case here), the options for the council are to continue with this arrangement, or to





bring the service in house. Given the nature of this service, it is not considered realistic for it to be delivered in house. Part of the service is currently delivered by an NHS Trust, and in the Cranstoun bid, this arrangement will continue, albeit with a different NHS Trust.

- 3.28 As with all procurement processes a change of service provider will give rise to potential TUPE transfers of staff. At this stage, the role of the council is to act as a conduit for TUPE Information in relation to the service and the incumbent contractor(s). This information was requested from existing partners early in the process and was supplied to all bidders for them to deal with accordingly. The preferred bidder has therefore taken into account the TUPE requirements in their bid. The details of any specific TUPE transfer(s) will be for the new contractor and the incumbents to agree.
- 3.29 Commissioners will ensure that as part of the mobilisation period Cranstoun will engage in conversation with local communities and ward councillors about any changes to service being delivered in their communities.

## **4. Important considerations and implications**

### **4.1 Legal**

- 4.1.1 In letting this contract, the council is carrying out its public health functions as set out in the Health and Social Care Act 2012.
- 4.1.2 Contract Standing Orders require that approval for contracts values in excess of £500k must be obtained from the relevant Committee, and that the contract must be executed as a Deed.
- 4.1.3 The services to be provided under the contract are 'Part B' services for the purposes of the EU procurement rules, and the process followed in relation to such services must be fair and transparent, and must not discriminate against potential service providers. It is considered that the procurement process that has been followed in this case (as outlined above) complies with this legal requirement.

- 4.1.4 There are no adverse human rights implications in relation to the recommendation.

*Lawyer Consulted: Jill Whittaker Date: 22/09/2014*

## 4.2 Finance

- 4.2.1 Brighton & Hove City Council receives a ring-fenced Public Health grant from the Department of Health to fund the costs of its Public Health service. The grant figure has not been confirmed for 2015/16, but is likely to be at the same level as 2014/15 (£18.695m).
- 4.2.2 The letting of this contract will help deliver savings of approximately 8% against current costs. The average yearly costs of the new contract are £5.2m, compared to £5.6m spent currently. This will result in savings of £0.4m against the Public Health budget, which will need to be factored into the budget setting process for 2015/16.

*Finance Officer Consulted: Mike Bentley Date: 01/10/2014*

## 4.3 Equalities

- 4.3.1 An Equality Impact Assessment (EIA) was completed as part of the commissioning process in January 2014. This was released to bidders alongside the needs assessment for Community Safety and Mental Health. It also resulted in a number of specific questions being put to bidders, to ensure that the successful organisation could demonstrate how it would meet the identified equality needs.
- 4.3.2 Equality monitoring is required quarterly from the service provider, along with improvement plans based on the monitoring information. Future needs assessments will review the impact of this EIA, identify and respond to the needs of diverse communities and the EIA's actions and impacts will be reviewed after 18 months.



#### 4.4 Sustainability

##### 4.4.1 No implications

#### 4.5 Health, social care, children's services and public health

4.5.1 Children Services, Adult Social Care and the CCG were involved in the development of the initial tender and the evaluation process. The implication for their services and teams have been taken into account in developing the new service.

4.5.2. All relevant parties will continue to be involved during the mobilisation period.

### **5 Supporting documents and information**

#### 5.1 No supporting document



**Subject:** Integrated Community Equipment Service - Extract from the Proceedings of the Health & Wellbeing Board meeting held on 9 September 2014

**Date of Meeting:** 16 October 2014

**Report of:** Monitoring Officer

**Contact Officer:** Name: **Caroline DeMarco** Tel: **29-1063**  
E-mail: [Caroline.demarco@brighton-hove.gov.uk](mailto:Caroline.demarco@brighton-hove.gov.uk)

**Wards Affected:** All

**FOR GENERAL RELEASE**

***Action Required of the Policy & Resources Committee:***

To receive the item referred from the Health & Wellbeing Board for approval:

**Recommendation:**

17.1. That the Committee agree that the Council can enter into a contract, in partnership with the CCG, with the equipment provider selected by West Sussex County Council (WSSCC) as set out in Option 1 in 2.6 in Appendix 1 (of the report).

**HEALTH & WELLBEING BOARD**

**4.00pm 9 September 2014**

**Council Chamber, Hove Town Hall**

**DRAFT MINUTES**

**Present:** Councillor J Kitcat (Chair), Councillor K Norman (Opposition Spokesperson), Jarrett, Morgan and G Theobald, Dr. Xavier Nalletamby, CCG, Geraldine Hoban, CCG, Dr Christa Beesley, CCG, Dr Darren Emilianos, CCG, Dr George Mack, CCG, Denise D'Souza, Statutory Director of Adult Social Care, Dr. Peter Wilkinson, Deputy Director of Public Health, Pinaki Ghoshal, Statutory Director of Children's Service, Frances McCabe, Healthwatch, Graham Bartlett, Brighton and Hove Local Safeguarding Children's Board, and Fiona Harris, NHS England

**Also in attendance:** Penny Thompson, Chief Executive, BHCC.

**PART ONE****24 INTEGRATED COMMUNITY EQUIPMENT SERVICE****Introduction**

- 24.1 The Board considered a report of the Executive Director, Adult Services which set out future commissioning options for the Integrated Community Equipment Service (ICES) in Brighton & Hove. The options were explained in paragraphs 2.6 to 2.9. The report was presented by Denise D'Souza.
- 24.2 Ms D'Souza stressed that the staff at the equipment store did a very good job and the service was valued by those who received it. The Service was jointly provided and had been jointly commissioned by the CCG and the LA since 2004. It was staffed by 7 local authority employees and 15 Sussex Community Trust staff. Demand for the service had grown since 2004. Sussex Community Trust had decided that the service was not part of their core business and the Local Authority did not have the capital to invest in the service.
- 24.3 The Board were informed that the current building was in significant need of repair and a minimum of £193,000 was required to meet the minimum standards necessary for the building alone. This would still not address the lack of space for equipment, the poor decontamination facilities and the lack of space and facilities for staff.
- 24.4 Ms D'Souza stressed that it was necessary to move from the store and meet rising demands for the service. There was a need to improve delivery times and to have a daily delivery, seven days a week. There was also a need to improve recycling, and show value for money. A range of options for the service were presented in the report. Option 1 was recommended.

**Questions and Discussion**

- 24.5 Councillor Morgan considered that the Board had been presented with a fait accompli. Councillor Morgan quoted a letter he had received from a union representing staff and agreed with the concerns raised. He stressed that the service had been highly valued over many years, and asked why the Board were not being asked to start its own company in the city. There were valid concerns over any service tendered out to the private sector. If it was too late to consider alternatives then Councillor Morgan asked for earlier and proper consultation.
- 24.6 Denise D'Souza replied that there had been conversations about involving the third sector in setting up a local service but this would have required the same amount of capital as the Local Authority.
- 24.7 Geraldine Hoban stated that a local service was an attractive proposition but the economy of scale that a small city could work in would be prohibitive. A store in Brighton & Hove would not be able to keep large equipment such as bariatric beds.
- 24.8 The Chair stated that there was no spare capital for a local service and none of the voluntary or third sector had any money.

24.9 Councillor Norman agreed with comments made by Denise D'Souza and Geraldine Hoban and stated that he supported the proposals. He agreed that there was no money to invest in the current service and he stressed the need to modernise and improve the service. There was no reason why a new organisation could not provide a better service.

24.10 **Resolved –**

- (1) That the Policy & Resources Committee be recommended to approve that the Council and the CCG enter into a contract with the equipment provider selected by West Sussex County Council (WSCC) as set out in Option 1 (paragraph 2.6 of the report).





<b>Subject:</b>	<b>Integrated Community Equipment Service</b>		
<b>Date of Meeting:</b>	<b>16 October 2014</b>		
<b>Report of:</b>	<b>Executive Director for Adult Services Chief Operating Officer, Brighton &amp; Hove Clinical Commissioning Group</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Anne Richardson-Locke</b>	<b>Tel: 29-0379</b>
		<b>Lisa Douglas</b>	<b>57-4838</b>
	<b>Email:</b>	<a href="mailto:Anne.Richardson-Locke@brighton-hove.gcsx.gov.uk">Anne.Richardson-Locke@brighton-hove.gcsx.gov.uk</a>	
		<a href="mailto:Lisa.Douglas@nhs.net">Lisa.Douglas@nhs.net</a>	
<b>Ward(s) affected:</b>	<b>All [If not All, insert affected wards]</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 This report is referred from the Health and Wellbeing Board to Policy & Resources Committee for decision as matters that involve externalisation (outsourcing) are reserved to Policy & Resources Committee. The Council currently jointly funds, commissions and provides the ICES service.
- 1.2 The report provides a summary of the Integrated Community Equipment Service report that was presented to the Health & Wellbeing Board on 9<sup>th</sup> September 2014 setting out future commissioning options for the service. The report is attached as Appendix 1.
- 1.3 The Health & Wellbeing Board agreed to recommend to Policy & Resources Committee that Brighton & Hove City Council (B&HCC) and the Brighton & Hove Clinical Commissioning Group (CCG) enter into a contract with the equipment provider selected by West Sussex County Council (WSSCC).

**2 RECOMMENDATIONS:**

That Policy and Resources Committee agree that the Council can enter into a contract, in partnership with the CCG, with the equipment provider selected by West Sussex County Council (WSSCC) as set out in Option 1 in 2.6 in Appendix 1, and delegates authority to the Executive Director Adult Care and Health to take all steps necessary to award the contract.

**3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 The equipment service is commissioned jointly between Brighton & Hove City Council (B&HCC) and the Clinical Commissioning Group (CCG). The service has

been provided via a Section 75 agreement with Sussex Community Trust (SCT) since 2004.

- 3.2 The Council is the minority partner contributing 45% of the budget and employing only 6 of the 22 ICES staff with the remaining staff employed by SCT. Commissioning the service with a new provider will result in a TUPE event (Transfer of Undertakings Protection of Employment Regulations).
- 3.3 SCT have given notice on the contract and will cease to provide the service on 30<sup>th</sup> September 2015 or an earlier date if agreed by all parties. This is due to the considerable investment needed and because it does not fit with their clinical care strategy.
- 3.4 Appendix 1 sets out in detail the rationale for the recommended option and why the Council is not in a position to deliver the ICES service that includes:
  - 3.4.1 The increasing demand on the service and expectations of customers;
  - 3.4.2 The resources required to ensure the ICES building meets health and safety and infection control standards;
  - 3.4.3 The resources required to meet the information technology, logistical requirements and to provide a 7 day service.
- 3.5 Appendix 1 also sets out in detail the reasons for the recommended option to enter into a contract with the successful West Sussex provider that includes:
  - 3.5.1 West Sussex report extremely high levels of customer and prescriber satisfaction with their service and have consulted with customers and their needs and wishes have informed the specification, particularly around the need for timed deliveries and improved access to the service;
  - 3.5.2 Commercial equipment suppliers offer the best value price for equipment and share specialist equipment across different areas;
  - 3.5.3 There are efficiencies to be gained from the shared procurement and delivery of equipment across West Sussex and Brighton & Hove.
- 3.6 The report concludes that as SCT have given notice on their contract to provide equipment it is vital that a new service is commissioned before the end of September 2015. Commissioners from the CCG and B&HCC have been working closely with SCT for the last 3 years to ensure that the equipment service is able to provide an efficient service within budget. Both SCT and B&HCC have identified that significant investment would be needed for either organisation to be able to provide a modern, efficient 7 day service. Therefore the recommendation is that a service is commissioned externally and that B&HCC and CCG enter into a contract with the equipment provider selected by West Sussex County Council.

#### **4. LEGAL AND FINANCIAL IMPLICATIONS**

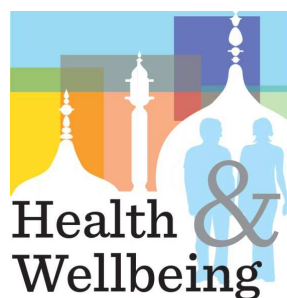
The legal, financial and other implications are set out in the report to the Health and Wellbeing Board of 9th September 2014.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Integrated Community Equipment Service – Health & Wellbeing Board Report





*Although a formal committee of the city council, the Health & Wellbeing Board has a remit which includes matters relating to the Clinical Commissioning Group (CCG), the Local Safeguarding Board for Children and Health Watch. Papers come from a variety of sources. The format for Health & Wellbeing Board papers is consequently different from papers submitted to the city council for exclusive city council business.*

## **1. Formal details of the paper**

1.1. Integrated Community Equipment Service

1.2 This paper is to be made available to the general public.

1.3 9<sup>th</sup> September 2014.

1.4 Anne Richardson-Locke,  
Commissioning Manager, Learning Disabilities & Equipment.  
Tel: 01273 290379  
[Anne.Richardson-Locke@brighton-hove.gcsx.gov.uk](mailto:Anne.Richardson-Locke@brighton-hove.gcsx.gov.uk)

Lisa Douglas,  
Clinical Commissioning Manager, Clinical Commissioning Group  
Tel: 01273 574838 [Lisa.Douglas@nhs.net](mailto:Lisa.Douglas@nhs.net)

## **2. Decisions, recommendations and any options**

2.1 The report sets out future commissioning options for the Integrated Community Equipment Service (ICES) in Brighton & Hove.

2.2 The Health & Wellbeing Board are asked to recommend to Policy & Resources Committee that the Council and the CCG enter into a contract with the equipment provider selected by West Sussex County Council (WSCC) as set out in Option 1 below in 2.6.

### **Key findings**

2.3 The equipment service is commissioned jointly between Brighton & Hove City Council (B&HCC) and the Clinical Commissioning Group

(CCG). The service has been provided via a Section 75 agreement with Sussex Community Trust (SCT) since 2004.

- 2.4 SCT have given notice on the contract and will cease to provide the service on 30<sup>th</sup> September 2015 or an earlier date if agreed by all parties.
- 2.5 It is essential that the provision of an equipment service continue in the city and that it is provided within the existing budget. The following options have been considered as alternatives to current provision:

### **Option 1**

- 2.6 Enter into a contract with the successful West Sussex provider

2.6.1 West Sussex have invested considerably to ensure that they procure an efficient, modern equipment service. Their ICES has been contracted to an external contractor since 2005 and this contract expires in March 2015. They have entered into a competitive dialogue process to gain from the expertise of the market and achieve a contract that meets all of their current and future requirements.

2.6.2 As well as saving time and resources by not carrying out a procurement exercise Brighton & Hove would gain from the experience that West Sussex have in procuring a second generation ICES and from the efficiencies to be gained from sharing the procurement and delivery of equipment across geographical areas.

2.6.3 The West Sussex procurement acknowledges that the levels of activity have been increasing and that to generate efficiency savings suppliers must improve recycling, collections, deliveries, introduce new technology and improve access to the service thereby supporting more users without a commensurate increase in resources. The successful provider must provide evidence of how they will do this whilst submitting the most economically advantageous tender that balances technical and quality requirements against commercial elements.

2.6.4 West Sussex have produced a detailed specification that meets the requirements of Brighton and Hove and will supply the quality of management information needed to enable strategic planning. The specification has been informed by customers and West Sussex held events with the general public, service users and



special interest groups to identify exactly what customers want and need. There will need to be some local variation and this can be negotiated with the successful provider.

2.6.5 West Sussex are awarding the contract in October 2014 with a start date of 1<sup>st</sup> April 2015. If the incumbent provider is not successful the new provider will need to concentrate on transferring the West Sussex service before taking on the Brighton & Hove service but West Sussex have indicated that a start date of 1<sup>st</sup> October 2015 is achievable.

## **Option 2**

2.7 Use the Eastern Shires Purchasing Organisation to select a provider

2.7.1 The Eastern Shires Purchasing Organisation (ESPO) are a local authority purchasing and supply consortium jointly owned by 7 local authorities. They are currently in the process of developing a range of specifications for community equipment solutions with one of these being a fully managed service. These specifications will be published and procurement frameworks established by the end of 2014

2.7.2 The advantage of this approach to Brighton & Hove is that ESPO will pre-qualify organisations so that time and resources are saved at this stage in the procurement. A mini-competition would then take place between providers on the relevant framework and they would be evaluated against a local specification in regard to quality and price.

2.7.3 It is not known at this stage what the exact specifications will look like but the Council is in dialogue with ESPO regarding these. It is also unclear what organisations will join the framework and it may be that they are not organisations working in bordering authorities so sharing across borders and the efficiencies that this may bring cannot be guaranteed with this option.

2.8 Discussions about whether a local base is required would take place with the successful provider and the base may not necessarily be within the Brighton & Hove border. Satellite facilities would be required locally as well as a facility for customers and prescribers to collect and return equipment.



## Alternative options

2.9 There are 2 alternative options but after careful consideration they were excluded for the reasons set out below:

2.9.1 **Tender locally for the service:** This would be costly and time intensive and given that compliant tendering processes have already been undertaken by West Sussex, such a process was considered to be unnecessary.

2.9.2 **The Council provide the service:** This option would need considerable investment to meet the requirements of a modern, efficient service. For the last 3 years Commissioners and SCT have been working closely to develop and modernise the service, and whilst SCT and B&HCC have excellent staff who are very committed to providing a good service, the building and decontamination facilities need the investment mentioned in 3.5.2 as well as the information technology and logistics elements of the service. An IT system that would have the functionality provided by commercial equipment providers and that would meet the demands required would cost approximately £125,000 to set up with annual costs of £87,000. There would be additional costs of approximately £90,000 to implement 7 day working. SCT have decided that this type of service does not fit with their clinical care strategy and equally the delivery of equipment does not fit with the long term strategy of Adult Social Care which is to provide care services to people with the most complex needs.

## 3. Relevant information

3.1 The Personalisation agenda and the Transforming Community Equipment Services (TCES) programme has put users of services at the centre of decision making and prompted greater scrutiny of access to and provision of equipment. Alongside this, the demographic growth of older people and people with complex health needs and the reducing budgets in social care and increase in demand across health and social care have placed further pressure on equipment services.

3.2 The Care Act places a series of new duties and responsibilities on Local Authorities. There is a duty to work with partners to deliver integrated services and efficient working across health and social care. The numbers of people being eligible for intervention will increase. The equipment service can play a vital role. Timely provision of equipment, telecare and minor adaptations to support





preventive and reablement services is essential in the effective provision of 7 day services and the management of long term care costs. There is also a need to meet the challenge of ensuring continuity of services and equipment provision when patients and users move between services and geographical areas.

- 3.3 ICES procure, provide, deliver, fit, collect, maintain, clean and recycle equipment for Health and Social Care. The service supplies equipment and fittings to people in their own homes and/or within intermediate settings (such as care homes or nursing homes), supporting timely discharge from hospital and helping people to maintain their independence at home.
- 3.4 ICES is managed by SCT, with 7 B&HCC staff and 15 SCT staff. Of the total of 22 staff, 13 staff have permanent contracts and 8 short term contracts, with 1 vacancy.
- 3.5 There have been 2 recent reports to Adult Care & Health Committee regarding ICES in September 2013 and January 2014. The reports highlighted issues around the ICES budget, building and performance and the issues are summarised below:

### **Budget**

3.5.1 The current budget for ICES is £1.452m, of which £805,000 (55%) is from the CCG and £647,000 (45%) from B&HCC. The budget has been overspent for each of the last 3 financial years and is forecasting an overspend of £220,000 (£190,000 for Health and £30,000 for Social Care) for 2014/15. The budget pressures have predominately been against the Health budget and SCT have reported a growth in demand of 13% which mirrors other areas. SCT have, however, not been able to accurately report spend by individual teams or areas so it has not been possible to identify the exact reasons for the spend or to enable strategic planning. There has been little scrutiny of the cost of equipment by Prescribers or ICES. A recent benchmarking exercise with other equipment suppliers has indicated that moving to alternative equipment suppliers could yield savings of up to 30% on new equipment and this is being implemented immediately.

### **Building**

3.5.2 The ICES building in Portslade is in significant need of repair and this is having an impact on the ability of staff to provide and recycle equipment. Concerns have been raised by staff and



health and safety professionals within the Trust and the Council and another recent survey has highlighted concerns about infection control. Currently the store does not meet the SCT minimal specification for inspection and storage. The Council's Estates Team have estimated that a minimum of £193,000 is required to meet the minimum standards necessary for the building alone. This sum would not address the lack of space for equipment, the poor decontamination facilities and the lack of space and facilities for staff. SCT estimated the cost of renting an alternative building as £130,000 to set up and £280,000 ongoing costs. The building is situated within the Shoreham Harbour Development and the site is currently being evaluated to see if there is the potential to build affordable homes there.

## **Performance**

3.5.3 Commissioners from B&HCC and the CCG have been working closely with SCT to monitor performance against the current specification and to identify how the service can meet the growing demand for equipment whilst providing an innovative, flexible, efficient model that can track and trace equipment, be provided 7 days a week and offer a framework for self-assessment and self-purchase.

## **SCT Clinical Care Strategy**

3.5.4 SCT have made the decision that the future requirements for the service would require significant investment and transformation and that the provision of an equipment supply and distribution services does not align with their Clinical Care Strategy. They have therefore given notice on the contract but are committed to working closely with the Council to ensure that staff are supported through the change and have been co-operative in giving more than the required notice period to ensure there is time to arrange for an alternative provider.

- 3.6 In December 2013 West Sussex County Council received Cabinet approval to commence a competitive procurement process for an ICES. As there was some uncertainty about the performance, financial management and the future of the ICES building, Brighton & Hove's Adult Care & Health Committee agreed that Brighton & Hove could be named in the OJEU contract notice published by WSCC as an authority that could utilise the contractual arrangements that WSCC put in place. Increasingly authorities are sharing procurement processes due to the benefits to



the authorities and providers who often work across geographical boundaries.

### **Implications for staff**

- 3.7 Commissioning the service with a new provider will result in a TUPE event (Transfer of Undertakings Protection of Employment Regulations). A TUPE event occurs where an undertaking is transferred and there is an economic entity which retains its identity. TUPE will see relevant Brighton & Hove Council and SCT staff, jobs and employment transfer to the new provider on the same terms and conditions as their current employment.
- 3.8 A well-developed market and network of providers exists for the type of service the Council seeks to provide. In addition these providers specialise in the day to day service of equipment provision and as a consequence have an extensive competitive advantage in doing so. It is considered most advantageous for Council to benefit from their specialist knowledge and expertise via contracting these services via the West Sussex Framework.

### **Other authorities**

- 3.9 Most of the authorities in the region have contracts with the 3 main providers: Nottingham Rehab Supplies (NRS), Medequip and Millbrook Healthcare with the exception of Kent, Croydon, Merton & Sutton.

<b>Authority</b>	<b>Equipment provider</b>
West Sussex	NRS
East Sussex	Millbrook Healthcare
Surrey	Millbrook Healthcare
Portsmouth & Southampton	Millbrook Healthcare
Croydon, Merton & Sutton	Croydon Care Solutions
London boroughs	London Consortium - Medequip
Kent	Integrated LA and Health service

- 3.10 East Sussex have managed within their ICES budget and have made efficiencies through their contract. Increased demand within 2012/13 was met within the existing financial resource and customers and prescribers have reported very high levels of satisfaction with the service.

- 3.11 West Sussex also report extremely high levels of customer and prescriber satisfaction with their service. The service supports 3 times as many prescribers and customers than before and meets all of its delivery targets.

### **Community engagement**

- 3.12 No community engagement or consultation has been carried out other than the regular service user satisfaction surveys and prescriber surveys collected by ICES.
- 3.13 Consultation will be carried out with current and potential customers to inform the specification.

### **Conclusions**

- 3.14 As SCT have given notice on their contract to provide equipment it is vital that a new service is commissioned before the end of September 2015. Commissioners from the CCG and B&HCC have been working closely with SCT for the last 3 years to ensure that the equipment service is able to provide an efficient service within budget. Both SCT and B&HCC have identified that significant investment would be needed for either organisation to be able to provide a modern, efficient 7 day service.
- 3.15 Therefore the recommendation is that a service is commissioned externally and that B&HCC and CCG enter into a contract with the equipment provider selected by West Sussex County Council once the WSCC contract has been awarded.

## **4. Important considerations and implications**

### **Legal**

- 4.1 The service is commissioned in order to comply with the council's statutory obligations and as the current service provider has given notice, it is necessary for the council to enter into a new arrangement in order to ensure the continuity of the service.
- 4.2 Service is a Part B service for the purposes of the EU Procurement Rules. Given the value of the contract and the nature of the service it is considered necessary to follow a compliant route within the rules in order to let a new contract.



- 4.3 Both the WSCC and ESPO frameworks have been or are being procured in compliance with the rules, and an award of contract pursuant to either of these would be lawful.
- 4.4 Legal obligations under TUPE will need to be complied with during the course of preparing for the transfer to a new service provider.

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### **Finance**

- 4.5 ICES is managed under Section 75 arrangements and has a total budget of £1,452,000 for 2014/15 of which the CCG contributes £805,000 and B&HCC £647,000.
- 4.6 Entering into a contract with the successful West Sussex provider is considered to be the most cost effective option and the economies of scale are likely to deliver savings to social care and health in the procurement of equipment and should not require capital investment.
- 4.7 Interim arrangements will need to be set up to ensure that the service is delivered to agreed standards and budget whilst the procurement processes are underway. The current budgetary challenges are set out in paragraph 3.5.1.

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### **Equalities**

- 4.8 An initial Equalities Impact Assessment has been carried out to inform this report. The impact of the recommended option on users of the service and staff was considered.
- 4.9 Users of the service: The proposal will not have a negative impact on the equality strands and seeks to improve outcomes for local people by improving deliveries, collections and access to the service.



- 4.10 Staff in the service: The proposal may have an impact on staff if they are expected to work in a different location. This could have potential negative impacts for older and disabled staff if they have to travel further. It may however have a positive impact if staff have to travel less or if the environment that staff work in improves.
- 4.11 Formal staff consultation would commence once a decisions have been made about the future of the service.

### **Sustainability**

- 4.12 The commissioned service will place particular emphasis on the recycling of equipment, the move to a more standardised product range to mitigate the cost of purchasing new standard and special equipment and the presence of a local access point for equipment to reduce the reliance on car travel.
- 4.13 The development of an efficient equipment service will help to ensure that people remain as independent as possible and in control of their lives, both of which are important elements of the Council's responsibility to promote public health.

## **5 Supporting documents and information**

- 5.1 There are no supporting papers attributed to this report for the Board to consider.

**Subject:** Procurement of a Contract for Gas Servicing, Maintenance and Installations - Extract from the Proceedings of the Housing Committee meeting held on 10 September 2014

**Date of Meeting:** 16 October 2014

**Report of:** Monitoring Officer

**Contact Officer:** Name: **Caroline DeMarco** Tel: **29-1063**  
E-mail: [Caroline.demarco@brighton-hove.gov.uk](mailto:Caroline.demarco@brighton-hove.gov.uk)

**Wards Affected:** All

**FOR GENERAL RELEASE**

***Action Required of the Policy & Resources Committee:***

To receive the item referred from the Housing Committee for approval:

**Recommendation:**

- (1) The procurement of a contract for the annual gas servicing and maintenance including full break-down cover, servicing, maintenance, emergency out of hours maintenance and planned system replacements and/or installations for a five year period, with an option for extension up to a period of two years.
- (2) Grant delegated authority to the Executive Director of Environment and Housing in consultation with Executive Director of Finance and Resources to a) award the contract following the recommendations of the evaluation panel and the results of the tendering process and b) approve an extension to the contract if considered appropriate, having due regard to contractor performance during the initial five year term.

**BRIGHTON & HOVE CITY COUNCIL**

**HOUSING COMMITTEE**

**4.00pm 10 SEPTEMBER 2014**

**COUNCIL CHAMBER, HOVE TOWN HALL**

**MINUTES**

**Present:** Councillor Randall (Chair), Councillor Phillips (Deputy Chair), Barnett, Daniel, Littman, Meadows, Mears, Peltzer Dunn (Opposition Spokesperson), Wakefield and Wilson (Group Spokesperson).

**PART ONE**

**23 PROCUREMENT OF A CONTRACT FOR GAS SERVICING, MAINTENANCE AND INSTALLATIONS.**

- 23.1 The Committee considered the report of the Executive Director Environment, Development and Housing which informed Members that the Council was required to re-tender a contract to be offered for annual gas servicing and maintenance including full break-down cover, servicing, maintenance, emergency out of hours maintenance and planned system replacements and/or installations. The Council anticipated that procurement of the contract to cover these areas would provide value for money, reliability and service consistency for tenants. The report was presented by the Partnering Business Manager.
- 23.2 Councillor Mears referred to paragraph 3.12 which stated “..we will be looking to start the contract on an Open Book style of accounting....” Councillor Mears stated that when the contract was set up with Mears Ltd, it was the intention to have an open book process. She asked if this was the case or not.
- 23.3 The Partnering Business Manager replied that Mears Ltd were looking to trial one or two areas with their contracts. The gas contract would be an open book style of accounting.
- 23.4 Councillor Mears expressed concern about the timescales. Bearing in mind the size of the contract she asked for a more detailed paper on this matter.
- 23.5 Councillor Meadows noted that there had been no feedback from the North Area Panel meeting. She had concern about recommendation (2) which suggested giving delegated power to the Executive Director of Environment and Housing in consultation with the Executive Director of Finance & Resources. She noted in paragraph 5.2 that two tenant representatives would be engaged in the evaluation stage of the tender. Councillor Meadows suggested that it would be useful if two councillors could be included in this process.
- 23.6 The Committee Lawyer stressed that the Committee could only delegate authority to officers. It could however, delegate authority to officers after consultation with councillors.
- 23.7 The Chair suggested amending the recommendation to include the Chair and opposition spokespersons in the evaluation process.
- 23.8 It was confirmed that there had been no specific feedback from the North Area Panel.
- 23.9 **RESOLVED –**
- (1) That approval be given for the procurement of a contract for the annual gas servicing and maintenance including full break-down cover, servicing, maintenance, emergency out of hours maintenance and planned system



replacements and/or installations for a five year period, with an option for extension up to a period of two years.

- (2) That it be agreed to give delegated authority to the Executive Director of Environment and Housing in consultation with Executive Director of Finance and Resources to a) award the contract following the recommendations of the evaluation panel and the results of the tendering process and b) approve an extension to the contract if required dependent on performance.
- (3) That the Chair and Opposition Spokespersons be members of the evaluation panel along with te



<b>Subject:</b>	<b>Procurement of a contract for gas servicing, maintenance and installations</b>		
<b>Date of Meeting:</b>	10 September 2014 – Housing Committee <b>16 October 2014 – Policy &amp; Resources Committee</b>		
<b>Report of:</b>	<b>Executive Director, Environment, Development and Housing</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Sharon Davies</b>	<b>Tel: 29-1295</b>
	<b>Email:</b>	<b>sharon.davies@brighton-hove.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

## **FOR GENERAL RELEASE**

### **1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The Council is required to re-tender a contract to be offered for annual gas servicing and maintenance including full break-down cover, servicing, maintenance, emergency out of hours maintenance and planned system replacements and/or installations. The Council anticipates that procurement of the contract to cover these areas will provide value for money, reliability and service consistency for tenants.
- 1.2 The report was initially considered by Housing Committee on 10 September 2014 and from there referred to Policy & Resources Committee due to the significant expenditure associated with the contract.

### **2. RECOMMENDATIONS:**

- 2.1 That Policy and Resources Committee agrees to:

(1) The procurement of a contract for the annual gas servicing and maintenance including full break-down cover, servicing, maintenance, emergency out of hours maintenance and planned system replacements and/or installations for a five year period, with an option for extension up to a period of two years.

(2) Grant delegated authority to the Executive Director of Environment and Housing in consultation with Executive Director of Finance and Resources to a) award the contract following the recommendations of the evaluation panel and the results of the tendering process and b) approve an extension to the contract if considered appropriate, having due regard to contractor performance during the initial five year term.

### 3. CONTEXT/ BACKGROUND INFORMATION

3.1 The Council is seeking to procure a contract for the for annual gas servicing and maintenance including full break-down cover, servicing, maintenance, emergency out of hours maintenance and planned system replacements and/or installations. The contract will provide the above for the following assets:

- Communal Boiler Systems and associated equipment
- Domestic Boiler Systems and associated equipment

3.2 The current contract began on 1st October 2005 and will terminate on 30<sup>th</sup> September 2015. There are currently two Service Providers delivering the service in Brighton and Hove as follows:

- Mears Group – North and East city area
- P H Jones – Central and West city area

3.3 Current spend on the contract is approximately £5,500,000 each year between the two Service Providers.

3.4 Currently Mears service and maintain 5,888 properties and PH Jones service and maintain 4,385. The overall number of properties could increase due to new gas connections or decrease due to the Right to Buy scheme.

3.5 Since the contract began the following numbers of installations have been completed as part of the boiler replacement programme:

No of installs (2005 - 2015)	PH Jones	Mears
Communal Boilers	6	9
Domestic Boilers	2,885	4,300

3.6 The installation replacement programme will continue as part of the new contract. Boilers are expected to have an average 10 year life cycle.

3.7 Tenders will be evaluated on the basis of a 60% price 40% quality split. The gas industry and landlord servicing is regulated and therefore industry standards will be required as a minimum for quality as part of the qualification stage of the tender. Further scored quality areas will focus on how the Service Provider manages, monitors and develops customer service, customer engagement and their relationship with the council.

3.8 Currently there are two contracts in place to deliver these services across the city. Learning from this 10 year arrangement has led the project group to recommend that the new contact will use one service provider to cover the entire stock. This will provide a more consistent service and economies of scale by reducing procurement and management costs. This will also reduce officer resource needed to review accounts, performance and service delivery between two Service Providers. It is therefore expected that service quality will improve as a result of moving to a single Service Provider.

3.9 The procurement of the contract will be run under an Open Procedure. There will be a fair opportunity for local and new suppliers to bid for the contract which supports our commitment to the Local Labour Scheme and One Planet Living policies. The evaluation process will also ensure that providers have the capacity to deliver the service effectively.

3.10 Procurement Timetable:

<b>Task</b>	<b>Due Date</b>
Housing Committee meeting	10 September 2014
If approved at Housing Committee...	
Policy & Resources Committee meeting	16 October 2014
If approved at Policy & Resources Committee...	
Leaseholder Notice of Intention	24 October 2014
Publish Prior Information Notice	28 November 2014
Publish Advert/ITT	19 January 2015
ITT due date	05 March 2015
Evaluation commences	06 March 2015
Director approval of award	28 April 2015
Leaseholder Notification of Landlord's proposal	29 April 2015
Consultation Period	30 April 2015
Initial Award and Standstill Letter out	25 June 2015
Final Award Letter out	06 July 2015
Leaseholder Notice for Award of Contract	06 July 2015
Implementation	09 July 2015
Contract Start	01 October 2015

3.11 The contract will be a partnering agreement and will be structured using the Term Partnering Contract (TPC) 2005 ACA Standard Form of Contract for Term Partnering.

3.12 Following success in the current contract we will be looking to start the contract on an Open Book style of accounting and the Service Provider will be strictly required to provide financial data on a bi-annual basis.

3.13 The current contract has been successfully delivered with both contractors providing a good level of gas compliance. Performance is reviewed monthly and which will continue as part of the new contract.

3.14 The transfer of staff will apply under this contract and the incumbent Service Providers will be expected to adhere to the TUPE regulations. TUPE information will be requested from both contractors once this report has been presented to Policy and Resources Committee.

3.15 On 10 September 2014, Housing Committee agreed recommendations 2.1(1) and (2) above, and further resolved "that the Chair and Opposition Spokespersons be members of the evaluation panel along with the tenants". To avoid any perception that the evaluation of tenders had not been conducted in

accordance with EU procurement principles of equal treatment and transparency, it is not appropriate for Members to be involved in the actual evaluation of bids. Technical evaluation against agreed criteria and weightings will be carried out by trained officers, with the involvement of two tenant representatives as detailed in paragraph 5.2 below. In view of this, Housing Committee's resolution for the Chair and Opposition Spokespersons to be evaluation panel members is not a recommendation to Policy & Resources Committee.

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

- 4.1 Other options include using more than one Service Provider and splitting the city geographically into lots.
- 4.2 The rationale for using one Service Provider across the city is supported by the learning from the current contract. As the service is regulated by strict legislation – minimum quality expectations will be met by all Service Providers. Working with one provider across the city will provide consistency, economies of scale, reduce pressure on resources within the council and provide us with the opportunity to focus our mechanical and electrical resources on improving service delivery to our tenants.

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

- 5.1 The Housing Department has a programme of continuous engagement with our residents through the various resident groups and representatives attend regular meetings with council officers and Service Providers.
- 5.2 The Council will engage residents in procurement and management of this contract through various groups such as the Area Panels and the Home Group. Additionally two tenant representatives will be engaged in the evaluation stage of this tender - they will be elected through the Home Group and will sign a Non-Disclosure Agreement
- 5.3 Because the contract will cover communal boilers and associated systems Leaseholders will be consulted on the procurement outcome following Section 20 legislation.
- 5.4 Feedback from the Area Panel meetings is provided in Appendix 1.

#### **6. CONCLUSION**

- 6.1 The current Gas Servicing contracts across the city will be drawing to a close in October 2015. It is essential that the council procure a provision to continue the high standard of service provide to tenants.
- 6.2 It is recommended that this be delivered through one Service Provider for the city. And that this contract is let for five years with the option of an extension up to a period of two years.

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

- 7.1 Financial Implications:

The main financial implications are contained in the body of this report.

Finance officers will form part of the team evaluating the contract tenders to ensure that value for money is achieved.

The current HRA capital programme and revenue budgets for this contract total approximately £5.5 million per annum, once the contract is awarded and programmes of works have been established, these budget will be reviewed as part of the council's targeted budget management monitoring and updated in the next budget process (which would be 2016/17) .

*Finance Officer Consulted: Susie Allen*

*Date: 02/07/14*

## 7.2 Legal Implications:

The original report to Housing Committee has been referred to Policy & Resources Committee in accordance with the council's scheme of delegation to committees. This requires that a committee dealing with a matter with corporate budgetary implications will refer the matter to Policy & Resources Committee. That threshold has been reached by reason of the contract value amounting to £5.5m per year over a 5 year period.

Given the value of the proposed contract, the council's procurement procedure must adhere to the Public Contracts Regulations 2006, which themselves must be implemented in accordance with EU Treaty principles mentioned in paragraph 3.15 above.

*Lawyer Consulted:*

*Oliver Dixon*

*Date: 30/09/14*

## 7.3 Equalities Implications:

Equality Impact Assessments are carried out on relevant projects undertaken by the council. Gas assets affect the quality of life for all our residents, without discrimination.

Vulnerable tenants will be supported and assisted on an individual basis by the Service Provider and the council.

Fuel poverty is a growing concern for the council and well maintained, regularly serviced, efficient systems provide our tenants with the equipment to heat their homes in a safe and manageable way.

There is a requirement that the successful Service Provider will have an equalities policy which would be reviewed as part of the procurement process.

## 7.4 Sustainability Implications:

The procurement process that will be undertaken for the re-letting of this contract will require the Service Provider to demonstrate that they:

- Have policies in place that will improve energy efficiency and encourage awareness of energy issues in terms of their own operations.
- Have a commitment to reducing waste, reusing and recycling resources used in the delivery of the service wherever possible, and aim to ultimately send a minimum amount of waste to landfill.
- Have a commitment to work with the council to install and maintain energy efficient systems to the benefit of residents and the environment.
- As part of this commitment the Service Provider should encourage low carbon modes of transport and fuel efficient driving, as well as reducing the need to travel.
- Have a commitment to sustainable procurement and consider the whole life cost of goods and services procured on behalf of the council. All aspects of procurement should be assessed to help reduce significant environmental impacts, whilst also maintaining a balance between social and economic needs of the wider community.
- Actively engage with and improve the performance and sustainability of its own supply chain.

#### 7.5 Crime & Disorder Implications:

The single Service Provider will be expected to provide branded uniform and photo identification before entering a tenant's property. Tenants will always have a prior appointment made with the provider and will be advised of any changes to this. Tenants will be advised that they should not let any persons into their property without a prior appointment and photo identification.

#### 7.6 Risk and Opportunity Management Implications:

Risks associated with this procurement will be managed using the corporate risk management methodology.

A risk log will be kept and updated on a monthly basis throughout the procurement exercise in line with recommended project management techniques.

#### 7.7 Public Health Implications:

In line with our legal requirements it is essential that we regularly check the safety of our gas systems. This provides reassurance to our tenants that the systems in their homes are safe to use, regularly serviced and replaced if no longer fit for purpose.

#### 7.8 Corporate / Citywide Implications:

New and well-maintained systems will improve the general environment for our residents and demonstrate the Council's commitment to the wellbeing of local residents. Using one provider will provide the city with a consistency and a recognisable Service Provider.



## **SUPPORTING DOCUMENTATION**

### **Appendices:**

Appendix 1: Area Panel Feedback

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

None

### **Background Documents**

None

## Appendix 1

### Area Panel Feedback:

The below comments are collated from the four area panel meetings that took place on the week commencing 28<sup>th</sup> July. Questions of note from Residents/Councillors are detailed along with the Officer response.

### East Area Panel:

1. *Resident - 'Will both current Service Providers bid for the contract.'*  
Officer – The procurement process will be an Open one so all interested suppliers will be invited to bid for the award – this invitation will include the current contractors if they wish to.
2. *Resident - 'Will one provider be able to deliver for the whole city?'*  
Officer – Yes this contract is not an unusual size and will be manageable for one provider.

### Central Area Panel:

3. *Resident - 'How much time will be expected from resident involvement?'*  
Officer – A request has already been sent to the Home Group for two tenants to join us - as part of the evaluation panel. The volunteer's will be selected at the Home Group meeting in November and begin work early 2015. I expect between 5 – 10 days to be the total input of work.
4. *Councillor - 'If we use one Service Provider are we at risk of complacency?'*  
Officer – The size of this contract is not unusual so would not be abnormal for one provider to take on. We will still be working in partnership with that provider to review performance. We will - as with our current partnerships - look at the market and areas of improvement throughout the contract. This will not be affected by the use of one provider.
5. *Councillor - 'Will we be able to see proof of economies of scale?'*  
Officer – Currently we use officer time to review two sets of accounts and two sets of performance figures, therefore there is an opportunity to reduce the input here. In addition to this we will look at cost as part of the evaluation process where we expect to see that using one provider will provide better value for money than two.
6. *Resident - 'What strategy would be in place if the Service Provider was to become bankrupt?'*  
Officer - The contract will make provision for withdrawal from the contract, and risk will be addressed through the project team. It is worth noting that even with two Service Providers in place we would not be able to award a contract from one provider to another as this would be against procurement regulations.
7. *Resident - '(I would be) keen to see that quality and safety are important to the service provider.'*

Officer – The service is heavily regulated with legislation which provides us with additional assurance for quality standards. We can also focus on customer experience and the cost of delivering the contract.

8. *Resident - ‘(I think) monitoring of one provider should be easier than currently with two.’*

Officer – Yes, we anticipate that monitoring performance on one provider will be less intensive than currently looking at two.

West Area Panel:

9. *Resident - ‘Annual servicing is very positive; always plenty of warning through letter or phone so that residents don’t miss appointments or waste time if operative cannot attend.’*

Officer – We are pleased that you are happy with the current service you are provided. If there are particular aspects to the service delivery that make it stand out then we can look to take those things forward into the new contract; bearing in mind that the Service Provider may be different.



<b>Subject:</b>	<b>Hangleton Bottom</b>		
<b>Date of Meeting:</b>	<b>16 October 2014</b>		
<b>Report of:</b>	<b>Executive Director of Environment, Development and Housing</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Rachel Chasseaud</b>	<b>Tel: 29-0753</b>
	<b>Email:</b>	<b>Rachel.chasseaud@brighton-hove.gcsx.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The council currently operates a transit Traveller site at Horsdean which will need to be closed for up to one year from circa March 2015 while the site is extended and redeveloped to accommodate a permanent Traveller site. The transit site normally accommodates 23 Households.
- 1.2 This report is recommending that alternative temporary transit provision is made for travelling households for the period that Horsdean Transit site is closed.
- 1.3 This recommendation is also made to reduce potential impacts on the settled community. Without a transit site there are likely to be more unauthorised encampments on City Parks and Public Recreation Grounds. This can not only have an adverse impact on the settled community who may lose the utility of a public park but is also costly to manage.

**2. RECOMMENDATIONS:**

- 2.1 That Policy and Resources Committee grant landowner's consent for the use of council owned land at Hangleton Bottom as a temporary Traveller Transit site while Horsdean Traveller Transit Site is closed for redevelopment.
- 2.2 That Policy and Resources Committee approve the submission of a planning application for use of Hangleton Bottom as a temporary Traveller Transit site of 15 pitches.

**3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 Brighton and Hove City experiences a very high number of unauthorised Traveller encampments (UAEs) every year. In 2013/14 there were 71 UAEs. From 1<sup>st</sup> April 2014 until 31<sup>st</sup> August 2014 there were 39 UAEs in the city.
- 3.2 There is very little land in the city available or accessible to Travellers to use for temporary stopping. We also have a population of Travellers who live and work in the city. Part of the definition of a Traveller is that they should lead a nomadic lifestyle (saving in limited circumstances when they retain their status even if not

nomadic). The Equality Act only applies to those with a proven ethnic Traveller background. The provision of a transit site would be in line with Equalities duties.

- 3.3 Horsdean transit site normally accommodates 23 households but in 2013 was closed for major works for a period of 4 months. It has since been opened at a reduced capacity of 10 households. It is notable, and perhaps not surprising, that in 2013/14 the number of UAEs in the city was particularly high when compared to recent years when the transit site was fully opened.
- 3.4 Traveller Transit Pitches are required to enable the Police to direct Travellers who are trespassing to the site under S62a of the Crime and Public Disorder Act 1994. Without a transit site the powers that are available to manage unauthorised encampments will be significantly impacted.
- 3.5 It is therefore very likely that if the city is without a transit site for a year the number of UAEs would be likely to increase, as would the negative impacts on both the travelling and settled communities. The cost of managing UAEs is also high as compared to providing a managed site with basic facilities and where Travellers pay rent and service charges.
- 3.6 Hangleton Bottom is an area of hard stand adjacent to the Hangleton Link Road in North Portslade Ward. It is screened from the road by large earth mounds and vegetation. To the west it is adjacent to farm land. This is leased to a farmer by the city council who uses it primarily for horse paddocks. The site is not close to housing. Access is from a layby on the road. There is a fresh water supply.
- 3.7 This land is owned by Brighton & Hove City Council and was used as a temporary stopping location for Travellers in the past. It is not in the South Downs National Park Area and it is designated as land suitable for waste facilities in the Waste Local Plan but it is very unlikely that the site will be developed in the near future. This site would therefore only be suitable on a temporary basis as an alternative Travellers transit site.
- 3.8 City Parks is currently using part of the site on a temporary basis for the storage of equipment in containers. The secure containers are located in one corner of the site and it will be possible for this space to be used simultaneously for both purposes. City Parks has opened up, but securely gated, the access to Hangleton Bottom. The water supply is being reinstated and a temporary office and rest room located on the site which staff from both services could share.
- 3.9 The proposal is to provide basic facilities for 15 households at Hangleton Bottom on weekly licence agreements for a period of up to 12 weeks per household. The licensees would pay a rent and service charge and for this would be provided with access to water and rubbish facilities and porta-loos.
- 3.10 There would be 24 hours staff presence being either a site warden or a security guard. City Parks has plans to install CCTV although additional CCTV units may be required.
- 3.11 It is possible that additional work will be required to the access road on the site to enable caravans to enter and exit safely. A specialist highways report will be required to confirm this.

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

- 4.1 A number of other locations were considered for an alternative temporary transit site but this appears to present the only suitable location. This is largely because other areas of land owned by the city council where Travellers used to stop temporarily are now in use for other purposes and/or are not accessible.
- 4.2 We have considered trying to keep Horsdean transit site open while the permanent site is developed. However we have concluded that this is not viable as it would delay the build time, increase costs and present Health and Safety risk to the families on site. Indeed local Travellers have said that they would not wish to use it during development as they would be concerned for their children's safety.
- 4.3 Alternatively the council could choose not to make alternative transit provision for Travellers during the re-development of Horsdean. However this is very likely to lead to an increase in UAEs and have a negative impact on the settled and travelling communities. It is also likely to lead to a considerable increase in costs.

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

- 5.1 The relevant departments of the council and the police have been consulted and agree with this proposal as a way of reducing the negative impacts of unauthorised encampments on the city. The Environment Agency has also been consulted and has confirmed that this is not a sensitive location and that there are no concerns about the location of a temporary Traveller transit site in this location. Friends Families and Travellers and the Irish Travellers Women's Group have made representations to the council asking that we consider using Hangleton Bottom as alternative temporary transit provision as they are concerned about the impact of the existing site being closed for a year. Members of the public will be consulted as part of the planning application process.

#### **6. CONCLUSION**

- 6.1 Submission of a planning application to use Hangleton Bottom as a temporary transit site is recommended in order to make provision for the Travelling Community while Horsdean is developed but also for the benefit of the city to reduce negative impacts of UAEs on the settled community and the risk of community tension and to ensure that the costs of managing UAEs do not escalate.

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

##### Financial Implications:

- 7.1 There will be costs associated with setting up a temporary transit site at Hangleton Bottom and running costs. Based on current projections the set up costs are approximately £0.018m which could be met from current budgetary provision for the Traveller Liaison Service by making savings in other areas. The annual running costs are estimated at £0.120m which could be met from the Horsdean Transit site budget in 2015/16. There would therefore be no additional

cost over and above existing budgets to the council and this would reduce the risk of increased costs from an increased number of unauthorised encampments. See appendix 1 for estimated costs.

*Finance Officer Consulted: Name Michelle Herrington Date: 12/09/14*

Legal Implications:

- 7.2 Before the site can be set up planning permission will be required. We are the relevant planning authority for the proposed site. The proposals in the report are within the powers and duties of the Council and consistent with the Council's obligations under the Equality Act.

The Statutory power to provide a temporary site is contained in section 24 of the Caravan Sites and Control of Development Act 1960. It has to be made clear in any agreements and communication with the users of the site that the site is a temporary site created for the purposes of transit and not permanent as otherwise there is a risk of creating security of tenure. Once security of tenure is achieved on any authorised traveller site, then this has the same force as a secure tenancy in bricks and mortar accommodation. Providing the measures mentioned above are in place, this will not be the case as it will be a transit site where no such rights are granted.

The Human Rights Act is relevant legislation and note should be taken of case law to ensure that the duration of stay is carefully managed to avoid any accumulated rights under the Act.

*Lawyer Consulted: Simon Court and Hilary Woodward Date: 6/10/14*

Equalities Implications:

- 7.3 Provision of an alternative temporary Travellers transit site will assist the council in meeting its duties under the Equality Act 2010 to the Travelling Community. It will also reduce the risk of community tension and so will aid community cohesion. An Equalities Impact Assessment has been completed.

Sustainability Implications:

- 7.4 An ecology assessment will be done as part of the assessment. Very little physical development of the site will be required and any structures will be temporary and low cost

Any Other Significant Implications:

- 7.5 Members of the Travelling community often experience lower life chances than the population as a whole. This includes lower life expectancy, lower educational attainment, poor health. Providing a temporary stopping place enables them to engage with services that can try to help to address such issues. Further to this unauthorised encampment have a significant impact on police resources and making provision will enable them to focus on other areas of work.





## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Estimated Set up and Running Costs for use of Hangleton Bottom as a Temporary Transit Site
2. Analysis of sites for Traveller Temporary Stopping and/or alternative Transit Provision

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

None

### **Background Documents**

1. Equalities Impact Assessment

## Appendix 1

### Estimated Set Up Costs to Use Hangleton Bottom as a temporary Transit Site

<b>HANGLETON BOTTOM SET-UP COSTS (EST)</b>	
PLANNING APPLICATION COSTS e.g. ecology and traffic surveys, access road costings	10000.00
WEEDING, CLEARING AND MARKING OUT	
PITCHES (INCL POTHOLE REPAIRS)	2000.00
CCTV PROVISION	2300.00
RELOCATION OF PORTACABIN	1500.00
CONNECTION OF WATER AND ELECTRIC TO PORTACABIN	2000.00
LOCATION OF WATER PIPE AND CONNECTION OF STAND-PIPE	200.00
WELDING GATE CLOSED	200.00
SIGNAGE	300.00
<b>TOTAL</b>	<b>18500.00</b>

NB: This can be funded from the current Traveller Team Budget from in year savings and would create no additional budgetary pressure

### Estimated Annual Running Costs Of Hangleton Bottom as Temporary Transit Site

<b>HANGLETON BOTTOM RUNNING COSTS (EST)</b>	<b>ANNUAL COST</b>
4 X PORTALOO HIRE, SERVICE AND DELIVERY	5740.00
LITTER PICKING	5220.00
WEEDING	1500.00
TWICE WEEKLY BIN COLLECTION	5200.00
METERED WATER/STAND PIPE-HIRE	3266.00
FENCING/BOLLARD REPAIRS	2000.00
MAINTENANCE CONTINGENCY	5000.00
COUNCIL TAX	1295.00
SECURITY (24 hr weekend, 16 hr weekday)	75945.00
UTILITIES	15000.00
<b>TOTAL</b>	<b>120166.00</b>

NB: Horsdean Site Annual Budget is £184950. The estimated costs would therefore be covered from existing budget provision.

## **Appendix 2 – Analysis of sites for Traveller temporary stopping and/or alternative transit provision.**

The sites below are those which are in the ownership of the local authority and have a history of trespass by Travellers. There are a number of locations which were historically used for temporary stopping, where land is now used for a completely different purpose – such as where there has been development. In such cases where there is no scope to reopen they are not included in the analysis. We have also considered if there were any other less sensitive sites which have not been used for trespass in recent years but we have not been able to identify any .

### **Hangleton Bottom**

This is a large area of hard stand that was historically used by New Travellers, Irish Travellers and Gypsies. It is in the BHCC planning area and is not an environmentally sensitive location.

This land is designated as land for waste facilities in the Waste Local Plan and could only be considered in the short to medium term as a place that could be open to trespass and toleration. In addition there are a number of calls on the land for other uses which are under consideration.

### **Location and Access**

The land is located on the Hangleton link road near to the bypass and is in the North Portslade ward but adjacent to the Hangleton & Knoll ward and South Portslade ward. The land is not visible from the road. It is not near housing but it is surrounded by leased paddocks and small holdings many of which have grazing horses. There are high chain link fences separating it from the paddocks and farm land.

### **No longer in use because of:**

Hangleton Bottom was deliberately blocked in order to prevent trespass by Travellers. There is a very big bund and large concrete blocks blocking the access. There is also a food van business operating in a layby across the entrance. City Parks has recently reopened access to the land, to use a small area to provide temporary storage for equipment.

### **Issues to Consider**

Travellers have expressed a strong interest in having Hangleton Bottom reopened and this would indicate that they would be likely to use this location rather than a city park.

**This site offers the best option for opening land and it could be opened on the basis that an alternative low impact location is needed travellers while Horsdean is closed for development.**

## **19 Acres**

### **Location and Access**

Land in the SDNP, north of the A27 Brighton by-pass, to the east of Devil's Dyke Road, approximately 30 metres north of the northern slip road.

Site size approximately 10 ha. and is not near to housing.

This site borders the Withdean and Hangleton & Knoll Wards and is located within the South Downs National Park

Access has previously been gained by removing bunding on Devil's Dyke Road or via a track leading to Waterhall Golf Course. This is hilltop land and exposed to the wind and rain, as such it was more suitable for toleration in the summer months than in winter.

### **No longer used because**

The area is now fenced off, unmown and has sheep grazing on the land.

The council is in receipt of grant funding for this land, being part of the High Level Stewardship scheme (HLS). The HLS payments received from Natural England are dependent on BHCC keeping the land in good agricultural condition. Any toleration of Travellers, without City Parks negotiating that area out of the HLS scheme could result in the loss of all payments associated with this scheme in the city, currently £80k per annum. Natural England has threatened to withhold on the basis of previous unauthorised encampments and City Parks have had to reassure that encampments on HLS land will be evicted swiftly.

Any encampment in the spring would have an impact on ground nesting birds here.

### **Opening access**

This would require removal of the grazing sheep, mowing some of the area. There is a gate on to the land. There would need to be internal bunding put in place to restrict the area used by Travellers, and a further wire gate at a cost of £500.

### **Issues to consider**

This location was used by both New Travellers and Irish Travellers and English Gypsies when it was in use and the impact on the settled community was relatively low because of its location north of the A27 and distance from housing.

When more accessible 19 Acres attracted extensive amounts of commercial flytipping as a result of the topography which means that rubbish can be tipped while hidden from view. This was extremely costly to the council and ran the risk of environmental damage.

This land was blocked and grant funding achieved to graze the land in part to prevent the risk and costs of flytipping. This has been a successful project and

the council would lose funding and risk loss of credibility should we deliberately reverse this to allow occasional trespass.

**This site has been trespassed despite defences. We risk losing HLS funding and generating flytip removal costs if we reduce protection and encourage access. We therefore would not recommend using this site for temporary transit provision.**

## **Devils Dyke Road**

### **Location and Access**

North of the A27 away from housing.

A strip of land adjacent to Devil's Dyke Road, which straddles the cycle path to Devil's Dyke. This site runs in between Dyke Approach Picnic Site and Boundary Halt Car Park, opposite Brighton & Hove Golf Course, adjacent to Dyke access trail. The site is also opposite Golf Farm.

This location is in Hangleton & Knoll Ward bordering Withdean Ward. Is located within the South Downs National Park.

Frequently used by dog walkers, cyclists and joggers.

2 bunded (soil and rubble) entrances at car park end of land. Can be driven onto straight from road running alongside with removal of some soil.

### **No longer used because**

The area is no longer mown in places and has waist-high grass on the site. The entrances that may have previously been used (on either side of the fork in the road) are now bunded.

The longer grass disguises the height of the ground where people have previously accessed directly off the road, which makes it seem like it is no longer possible to access.

### **Opening access**

This would require mowing the grass and either removing a bund or digging out a section on the road-facing side of the land. Removal of bund and the bunded gate would cost approximately £200.

### **Issues to Consider**

Some of this strip is accessible to trespass now but is rarely trespassed and when it is normally by New Travellers who tend to camp in less sensitive areas anyway.

This strip is in front of farmer's land; the removal of bunding would also remove the farmer's defences.

The nature of this narrow strip would necessarily mean any encampment would have some impact on the cycle path/bridle way.

**This site is still accessed from time to time by trespassers. Having taken the above into consideration we would not recommend making this site**

**any more easily accessible as it can be accessed and is used for temporary stopping as it stands.**

## **39 Acres – Ditchling Road**

### **Location and access**

Land to the east of Ditchling Road, north of Hollingbury Golf Course and woods. This is in Hollingdean and Stanmer ward adjacent to Patcham ward. At the eastern edge, the land slopes steeply away in to Wild Park. Access is through a recently bunded and width restricted car park from Ditchling Road. Access has also been gained by Travellers digging out bunding at the north end of 39 acres, immediately adjacent to leased farm land.

### **No longer used because**

Enhanced security measures have recently been put in place at the car park entrance to this land. There have been public complaints because of the frequent use of this land by Travellers. This land is part of the HLS and funding received on this basis. There is likely to be a grazing scheme here, and consideration is being given to open grazing in the area.

**This land has been trespassed since the recent additional security measures. Given the risk of loss of HLS funding we would not recommend and current use of the land we would not recommend making access to this land more accessible or using it as a temporary transit site.**

## **Ladies Mile Open Space**

### **Location and access**

This is open land to the north of Ladies Mile Road, adjacent to Carden Avenue. This is in Patcham Ward.

There is access via a lockable barrier and chicane at the end of Ladies Mile Road. Access is required to service a TV relay station and mast situated on the land. There is also a footpath entrance at the north of the land, leading from the roundabout accessing the A27 by-pass.

The eastern side of the land, from housing in Ladies Mile Road to the radio mast is Education land and deemed to be part of the playing field for Patcham School; it is not however currently utilised. Land to the north and west of this site forms a Nature Reserve and part of the HLS; the northern end of this is highly valuable chalk grassland.

### **No longer used because**

This land was frequently used by van dweller and Gypsy and Irish Traveller groups; however they were moved on speedily because of community tension. In more recent years the security at the access from Ladies Mile Road has been improved and prevented incursions.

### **Issues**



The Education land is likely to be protected, being designated as school playing fields. It would be necessary to secure permission from the Secretary of State to change this use. This would probably not be forthcoming as there is a presumption against change in the pattern of provision of playing fields. Any use of this land for Temporary Stopping would require internal bunding to restrict access to more sensitive areas. Movement of Travellers on and off this land via the entrance adjacent to housing on Ladies mile Road is likely to cause community tension.

**Having taken the above into account we would not recommend making this land more accessible or use it for temporary transit provision.**

## **Coldean Woods**

### **Land and access**

This is agricultural land, within the SDNP, not currently used. It is accessed via a woodland track from Coldean Lane, opposite Park Road, and situated in the south east of Stanmer Park. This is in the Hollingdean and Stanmer ward. The land slopes eastward towards the Lewes Road. There have been recent incursions of 30-40 van dwellers and it is a favoured spot for the van dweller community in the city.

### **Issues**

This land is being considered for use by City Parks in the medium term, as a storage and yard area.

Consideration would need to be given to the access route on to this site. The public footpath leading through the woods would need to be enclosed to prevent vehicular access to the rest of the woods. Transit provision here could cause a Highway safety issue with access being on to the busy Coldean Lane, with the entrance/exit point 100 mtrs from the junction with Lewes Road. There would be a need for internal bunding to restrict access to the rest of this large swathe of land.

**This land is occasionally trespassed by New Travellers and so is accessible. It is the SDNP and any significant changes to access such as a roadway would require planning permission. Building a roadway to the site would be very costly. Having taken all of the above into consideration we would not recommend making this more accessible or use it for temporary transit provision.**

## **Coldean Lane/adjacent Varley Halls**

### **Location and Access**

This is agricultural land, currently not used, to the north of Coldean Lane, quarter of a mile further west from Coldean woods. This is in Hollingdean and Stanmer ward. The only access on to this land is in the ownership of Brighton University and was developed as part of the Varley Halls development which

is likely to be why it is now less used. Access is via the driveway to Varley Halls through a locked gate onto a narrow track.

The land slopes fairly steeply from north to south and flattens out adjacent to Coldean Lane.

#### **Not used because**

Access was blocked for approximately a year in 2011 while there were building works at Varley Halls; since then there has been no attempt by Travellers to access this site. The site has historically only been used by van dwellers.

#### **Issues**

This land is badly affected with brambles over the ground; it would require assistance from City Parks to clear and then several mows a year to eradicate. If an additional access point on to this land was needed directly from Coldean Lane, there would be road safety considerations.

**In light of the fact that access is required over land which is not in the council's ownership or by building a new access point from Coldean Lane it is not recommended that we take further steps to make this more accessible to use it as temporary transit provision.**

## **Land adjacent to Racehill Allotments**

#### **Land and access**

This is a piece of land within Sheepcote Valley, to the west of Wilson Avenue, South of the Racecourse and fairly close to Council Allotments that share the same access road from Wilson Avenue. This land is in East Brighton Ward. The land is not immediately visible from Wilson Avenue but is visible from Bear Road/Warren Road.

This land is not currently part of the High Level Stewardship scheme, although it may be assessed for it.

#### **Not used because**

There have been width restrictors put at the entrance to the track leading to this land and the allotments. Recent access by Travellers has been through bunding from Wilson Avenue. This location is favoured by the van dweller community; there have been no encampments set up here by ethnic Travellers.

#### **Issues**

The current access road is immediately adjacent to the race track and a busy road junction at Warren Road/Wilson Avenue.

There has previously been an assertion that this land is colonised by the Whitehawk Soldier beetle and that this is its only habitat. However, there is no evidence of this and it may require an ecology survey to establish the facts.

**This land has recently been accessed by Travellers despite site protection measures and is already used as a temporary stopping place. It is therefore not recommended that we take steps to reduce site protection measures or use this location for temporary transit provision.**



<b>Subject:</b>	<b>Stanmer Park Heritage Lottery Fund Procurement Approval</b>		
<b>Date of Meeting:</b>	<b>16 October 2014</b>		
<b>Report of:</b>	<b>Executive Director for Environment, Development &amp; Housing</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Jan Jonker</b>	<b>Tel: 29-4722</b>
	<b>Email:</b>	<b>jan.jonker@brighton-hove.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. SUMMARY AND POLICY CONTEXT:**

- 1.1 The Council is developing a detailed Masterplan and preparing funding bids for Stanmer Park. As the land and property owner the Council is leading the project. The SDNPA are key project partners. Stanmer is an important gateway to the National Park and the base for the South Downs National Park Authority's (SDNPA) Eastern Area office.
- 1.2 In July this committee approved the submission of two First Round HLF applications in August and October this year to help deliver the Masterplan for Stanmer Park. The HLF will announce in December 2014 and January 2015 whether the First Round applications have been successful. If they are successful the council will be awarded 75% grant funding to develop detailed Stage 2 applications. The Second Round applications are the final stage in the HLF process. Both First and Second Rounds 2 are competitive.
- 1.3 This report seeks approval for the procurement of services to develop the Stage 2 application subject to one or both of the Stage 1 applications being successful. The proposal is that these contracts will have the flexibility to be extended in to the delivery phase, subject to further committee approval at the time.

**2. RECOMMENDATIONS:**

- 2.1 That Committee approve the procurement of services as set out in paragraph 3 of this report to develop the Stanmer HLF applications to Second Round, subject to a successful outcome to the First Round applications. The match funding required from BHCC will be funded from City Parks Projects over two financial years, 2014/15 and 2015/16.
- 2.3 That Committee delegates authority to the Executive Director of Environment, Development & Housing to enter in to the necessary contracts to develop the HLF applications up to the Second and final Round, with the flexibility for these

contracts to be extended to the delivery phase subject to further committee approval .

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

- 3.1 The council is developing a Masterplan for Stanmer Park and is applying to the Heritage Lottery Fund (HLF) to resource the work. The project is being developed in partnership with the South Downs National Park Authority (SDNPA). The work is overseen by a cross party member board which includes representation from the SDNPA.
- 3.2 In July 2014 this Committee was updated on the progress made on the project and approved the approach to applying for grant funding to deliver the Stanmer Park Masterplan. This included the submission of a First Round Parks for People HLF application in August and a First Round Heritage Grant HLF application in October. Further details are available in the July report. The bids have been submitted and announcements are expected in December 2014 and January 2015 as to whether the bids have been successful.
- 3.2 If the bids are successful HLF will award the council 75% of the funding to develop the detailed, final Second Round applications which will be submitted in the summer of 2016. Due to the tight time-scale for the completion of the Second Round applications, procurement of contracts to deliver the work is being progressed in advance of the HLF decision. If only one of the bids is successful at this stage only the relevant part of the services will be procured, if neither are successful the procurement will be put on hold. The only resource commitment in advance of the decision is officer time involved in the procurement.
- 3.3 Preparation of detailed Second Round funding applications is a significant piece of work. It includes technical studies relating to archaeology, conservation, construction, traffic and transport, consultation and engagement, development of business plans, activity plans, and conservation management plans. Much of the work will be delivered by a team of specialists with additional support to help manage the project. The value of the work to prepare the Second Round applications is £737,700 as set out in the tables below. This includes an 8.5% contingency of £63,000.
- 3.4 The total value of the Second Round Development Phase costs, and the sources of funding are summarised in the table below.

<b>HLF Parks for People Grant</b>	<b>£</b>
Heritage Lottery Grant Funding	291,400
SDNPA match funding	5,500
BHCC match funding	78,800
<b>Other funding (Volunteer allowance)</b>	5,800
<b>Total</b>	<b>381,500</b>
<b>HLF Heritage Grant</b>	
Heritage Lottery Grant Funding	259,900
SDNPA match funding	9,500
BHCC match funding	81,000

<b>Other funding (Volunteer allowance)</b>	5,800
<b>Total</b>	356,200

- 3.5 The procurement route to appoint external contractors to help deliver the Second Round application is currently being developed and will be finalised in the next few weeks. Procurement will be on the basis of the most economically advantageous tender and the options considered will include using in-house teams where possible. This report seeks delegated authority for the Executive Director of Environment, Development and Housing and the Executive Director of Finance and Resources to agree the details of the procurement route and to award successful contracts to bidders following completion of the procurement process.
- 3.6 Subject to the procurement route selected, the contracts may include optional clauses to enable them to be extended to the delivery phase if Second Round applications are successful. This is so as to ensure that we get the best value from contracts entered into at this stage, however Committee approval will be sought before any extension is agreed with contractors.

#### **4. COMMUNITY ENGAGEMENT AND CONSULTATION**

- 4.1 The work leading up to the First Round applications has been supported by public consultation as detailed in the P&R report in July. Further extensive consultation and engagement will be required as part of the preparation of the Second Round bid.

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

##### Financial Implications:

- 5.1 The report to Policy & Resources Committee in July 2014 for the Stanmer Park Master Plan & Application for HLF Grant Funding provided details of the proposed £11.949m Masterplan costs and funding strategy. The stage 2 preparation work is expected to total up to £0.737m as part of the overall Masterplan costs. The project is to be funded through a combination of Heritage Lottery Grant Funding with match funding from both the Council and other partners and bodies including SDNPA. The HLF grant funding consists of bids to Parks for People Grant and Heritage Grant and the announcements are expected in December 2014 and January 2015. The Council's funding contribution will be met through the disposal of identified non-core assets and a residential development site identified within the agricultural portfolio, and prudential borrowing based on income streams from commercial use of the agricultural buildings following refurbishment, as detailed in the report to P&R on 10 July 2014.

The stage 2 preparation work will be awarded through a formal procurement process in compliance with the Council's Contract Standing Orders and Financial Regulations. The procurement process will be prepared on a basis to maximise economy and effectiveness and will therefore support achieving value for money.

*Finance Officer Consulted: Rob Allen*

*Date:22/09/14*

Legal Implications:

- 5.2 .Legal implications in relation to the Master Plan works were set out in the report to Policy and Resources Committee in July 2014. This report is about the procurement of services. Given the value of the services to be procured, the procurement route will need to comply with EU requirements.

The contract or contracts entered into following the procurement process will need to be in a form approved by the Head of Legal and can provide for work to be carried out in stages as described in recommendation 2.3

*Lawyer Consulted:*

*Jill Whittaker*

*Date: 25/09/14*

Sustainability Implications:

- 5.3 Sustainability has been a key consideration in developing the Masterplan which will include a Conservation Management Plan.

Crime & Disorder Implications:

- 5.4 None

Risk and Opportunity Management Implications:

- 5.5 Risk management will be critical to the evaluation of procurement options. Contract management arrangements will be designed to minimise the risk to the council.

Public Health Implications:

- 5.6 None

Corporate / Citywide Implications:

- 5.7 The Stanmer Project has been identified as a Corporate priority.

**6. EVALUATION OF ANY ALTERNATIVE OPTION(S):**

- 6.1 Procurement work is being progressed in advance of HLF decisions on the Stage 1 applications to minimise project delays if one or both applications are successful.
- 6.2 Different procurement and contract management options are being evaluated and will be presented to the Executive Director of Environment Development and Housing to inform their decisions.



## SUPPORTING DOCUMENTATION

**Appendices:**  
None



<b>Subject:</b>	<b>Shoreham Airport</b>		
<b>Date of Meeting:</b>	<b>16 October 2014</b>		
<b>Report of:</b>	<b>Geoff Raw, Executive Director Environment Development &amp; Housing</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Oliver Asha</b>	<b>Tel: 01273 292554</b>
	<b>Email:</b>	<b>oliver.asha@brighton-hove.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The Council (along with Worthing Borough Council) is the landlord of Shoreham Airport. The Councils sold the airport along with nearby commercial units on long leases in 2006 for £8.1m plus £1m deferred consideration (due September 2013 if the tenant failed to pay £4 million towards the improvement of the airport). The tenant owes the Councils £1m deferred consideration.
- 1.2 In May 2014 the P&R Committee considered and approved a scheme whereby (a) the tenant surrendered the lease of Shoreham Airport but retained nearby commercial units (b) an aviation company: Brighton City Airport Limited would take 150 year leases of the operational parts of the airport and (c) the tenant would take 150 year leases of two plots of surplus land for use as development sites. The incoming tenant would restore the listed terminal and hangar buildings and the £1m deferred consideration would be postponed until completion of a development on the development sites. Following a corporate restructure, the tenant chose not to proceed with this approved deal.
- 1.3 The tenant still wishes to redevelop part of the airport and is asking (a) to further delay payment of the £1m deferred consideration until a development is completed, and (b) allow general use of the land once development is completed (the lease currently contains a restriction that any use of the land must be "*ancillary to use as an airport*"). The tenant has sublet the operational parts of the airport to Brighton City Airports Limited for a shorter term (which it can do without consent being required from the Councils).
- 1.4 That the Council shall give delegated authority to the Executive Director for Environment Development and Housing in consultation with the Head of Law to agree the form of any necessary deeds and documentation to give effect to the recommendations and to negotiate on ancillary matters with a view to progressing this matter to completion

**2. RECOMMENDATIONS:**

- 2.1 That the Council notes that the scheme approved by P&R on 1 May 2014 is no longer proceeding.

- 2.2 That the Council, by way of a Deed of Variation to the lease, formally postpones the £1m deferred consideration until the first new unit of any development at the airport is capable of occupation. Interest is to be charged on the deferred consideration from the original due date of 16 September 2013 at a commercial rate compounded annually with a long-stop date for payment of 2020.
- 2.3 That the Council, subject to payment of a suitable premium (such value to be assessed and agreed by the Council's Estates Surveyor) enters into an agreement to relax the user covenant to enable the use of any completed development as a City Deal Growth Hub upon (a) completion of the development and (b) payment of the £1m deferred consideration plus interest due.

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

- 3.1 In May of this year, Policy & Resources Committee approved a scheme in which Brighton City Airports Limited ("BCAL") would take a 150-year lease from the Councils of the operational parts of the airport and Albemarle Shoreham Airport Limited ("ASAL" or the tenant) would retain the development sites at the airport and the nearby commercial units. The £1m deferred consideration would be paid following occupation of the first unit of any development.
- 3.2 See Part 2 Report.

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

- 4.1 See Part 2 Report.

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

- 5.1 The tenant and BCAL inform the Council that they holds regular consultations with Shoreham Airport Operators' and Traders' Association (SAOATA). The Council does not have day-to-day control of the site and deals with the airport solely in its position as corporate landlord so further consultation by the Council has not been carried out.

### **6. CONCLUSION**

See Part 2 Report.

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

#### Financial Implications:

- 7.1 Deferring payment of the £1 million will mean the value of the receipt will diminish over time. The proposal to apply a commercial rate of interest to the deferred consideration will protect the Council against any further deterioration in value and help protect the Council against any potential state aid issues. Brighton and Hove City Council will be entitled to two thirds of the proceeds from the deferred consideration and compound interest, with Worthing Borough Council receiving one third which is in line with freehold ownership.

- 7.2 Similarly, the premium negotiated for the relaxation of covenants is also split in line with ownership.
- 7.3 The share the Council receives from both the deferred consideration and the relaxation of covenant will be used to support the capital investment programme in future years.

*Finance Officer Consulted: James Hengeveld*

*Date: 19/09/14*

Legal Implications:

- 7.4 The legal implications relating to this complex matter are set out in the body of the report and members may also find it useful to refer to the previous report.

*Lawyer Consulted: Bob Bruce Date: 18/09/14*

Equalities Implications:

- 7.5 Matter considered and no issues identified.

Sustainability Implications:

- 7.6 Matter considered and no issues identified.

Any Other Significant Implications:

- 7.7 Reputational issues of protecting business in the area, maintaining an operational airport and securing investment in the Airport would have a positive reputational impact on the Council.

Crime & Disorder Implications:

- 7.6 None.

Risk and Opportunity Management Implications:

- 7.7 None.

Public Health Implications:

- 7.8 None.

Corporate / Citywide Implications:

- 7.9 Continued running of the Airport has a positive effect on the Greater Brighton City Deal.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. See Part 2 Report.

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

1. None.

### **Background Documents**

1. None.

<b>Subject:</b>	<b>92 Cromwell Road – Surrender and Renewal</b>		
<b>Date of Meeting:</b>	<b>16 October 2014</b>		
<b>Report of:</b>	<b>Executive Director Finance &amp; Resources Executive Director Adult Services</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Jessica Hamilton</b>	<b>Tel: 291461</b>
		<b>Anne Richardson-Locke</b>	<b>Tel: 290379</b>
	<b>Email:</b>	<a href="mailto:Jessica.hamilton@brighton-hove.gov.uk">Jessica.hamilton@brighton-hove.gov.uk</a> <a href="mailto:Anne.Richardson-Locke@brighton-hove.gcsx.gov.uk">Anne.Richardson-Locke@brighton-hove.gcsx.gov.uk</a>	
<b>Ward(s) affected:</b>	<b>Goldsmid</b>		

## FOR GENERAL RELEASE

### 1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 To seek agreement to accept a surrender of the lease for the upper parts of 92 Cromwell Road and grant a new lease for an extended demise of the whole property (to include the lower ground floor) to the same tenant for a term of 77 years.

### 2. RECOMMENDATIONS

- 2.1 That the Committee authorise the termination of the existing lease for the upper parts of 92 Cromwell Road by accepting a surrender.
- 2.2 That the Committee authorise the disposal of the whole of 92 Cromwell Road (to include the lower ground floor) by way of a 77 year lease to the same tenant.

### 3. CONTEXT/BACKGROUND INFORMATION

- 3.1 In 1992 the council granted a 99 year lease of the ground, first and second floors of 92 Cromwell Road at a peppercorn to a Housing Association for the provision of 5 units of residential accommodation for adults with learning disabilities and an ancillary office. There are 77 years of this lease remaining. The current tenant is Southern Housing Group who took an assignment of the lease as part of a larger transfer of properties. (See plan attached as Appendix 1).
- 3.2 The lease requires the lessee to be responsible for the repairs and maintenance of the whole building and the council is required to pay 25% of the costs in relation to the lower ground floor.
- 3.3 The council retained control of the lower ground floors for use as a day centre which closed in 2008. At Cabinet meeting on 8 December 2011 permission was given to allocate capital funding to develop the lower ground floor and convert it to 2 flats which completed in 2013. Expressions of interest were then sought from service providers for the provision of specialist housing management

services to clients with Learning Disabilities. It was intended to grant a 10 year lease for the 2 lower ground floor flats.

- 3.4 Grace Eyre Housing CIC were chosen as the preferred tenant for the lower ground floor flats and given the urgency at the time to house identified clients a short-term licence was granted to Grace Eyre from February 2013 with the intention of granting a longer lease shortly afterwards.
- 3.5 In April 2013 Southern approached the council with a proposal to either sell the lease back to the council or purchase the freehold as the property did not contribute to their core business. In response it was suggested that Southern seek to identify an appropriate assignee for the lease. It was further suggested that Grace Eyre may be interested in taking a lease of the whole property and negotiations commenced between the 3 parties.
- 3.6 As part of the negotiations an independent valuation was commissioned of both Southern's leasehold interest of the upper parts and an equivalent leasehold interest (77 year term) of the lower ground floor. Terms have been agreed between the 3 parties for Grace Eyre to pay Southern a premium to take an assignment of the existing lease of the upper parts based on these valuations. The council can then accept a surrender of that lease and grant a 77 year lease of the whole property to Grace Eyre for a premium.

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

- 4.1 Sell the freehold to Southern. This was rejected as it would not afford any protection to the existing occupiers or its current use.
- 4.2 Allow Southern to assign their interest to another party and grant a lease on the lower ground floor to Grace Eyre. This would result in there being two leaseholders within the building with the leaseholder of the upper parts responsible for the repairs and maintenance of the whole building and the council responsible for paying 25% of the cost. Whilst this cost could be passed onto the lessee of the lower ground floor they would not have a direct relationship with the other lessee and it would be difficult to manage with potential for dispute.
- 4.3 Allow Southern to assign their interest to Grace Eyre and grant a second lease to Grace Eyre for the lower ground floor. If Grace Eyre is to be leaseholder of the whole building it is prudent for this to be under one lease.

#### **5. COMMUNITY ENGAGEMENT AND CONSULTATION**

- 5.1 The Learning Disability Service and Grace Eyre Foundation who support the tenants of Cromwell Road have been kept informed of potential changes and have communicated any relevant information to the tenants.

#### **6. CONCLUSION**

- 6.1 Southern do not consider this property to be part of the core business and wish to dispose of the leasehold interest that they hold of the upper parts (of which there are 77 years remaining).



- 6.2 The council is in the process of granting a lease to Grace Eyre on the lower ground floor which was recently refurbished to create 2 residential units.
- 6.3 The three parties have negotiated terms for Southern to assign their lease to Grace Eyre. The council will then take a surrender of the lease and simultaneously grant a lease for the whole to Grace Eyre. Grace will pay a premium to the council for the value of a 77 year lease of the lower ground floor as valued by an independent valuer.

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

### Financial Implications:

- 7.1 The disposal of the whole of 92 Cromwell Road on a 77 year lease will generate a capital receipt that will be used to support the Council's capital investment strategy for future years.

The Council is currently responsible for meeting 25% of the repairs and maintenance costs associated with the lower ground floor. The disposal of the site under the terms of the new lease will ensure that the Council has no obligation for future repairs and maintenance costs.

*Finance Officer Consulted: Rob Allen*

*Date: 15/09/14*

### Legal Implications:

- 7.2 The Council should be careful to avoid Stamp Duty Land Tax Liability upon the surrender of the Southern Housing Group lease. The Council must ensure that they do not receive or process chargeable consideration for the surrender prior to granting a lease for the whole building to Grace Eyre.

Grace Eyre's charitable objects are "to support and assist people with learning disabilities or mental health issues by arranging... accommodation... and similar services". The lease of flats for provision to "people with learning disabilities or mental health issues" could be an activity connected to Grace Eyre's business and the lease may therefore receive the protections of the Landlord & Tenant Act 1954. This could affect the value of the council's reversionary interest in the freehold upon any lease extension.

*Lawyer Consulted:*

*Name Oliver Asha*

*Date: 12/09/14*

### Equalities Implications:

- 7.3 Assigning the lease to Grace Eyre will ensure that accommodation is provided by an organisation that is dedicated to reducing inequality and has a track record of supporting and accommodating people with learning disabilities in the city.

### Sustainability Implications:

- 7.4 Grace Eyre are a local housing and support provider who are expanding their portfolio of housing locally so that people with learning disabilities can be

accommodated in the locality rather than out of area. Expansion of their organisation will mean further jobs for local people.

Risk and Opportunity Management Implications:

- 7.5 Grace Eyre have worked closely with the Council to support people with learning disabilities and have established themselves as a good accommodation provider. They are viewed as a low risk organisation and their commitment to people with learning disabilities means that they would be viewed more favourably than a general needs housing association.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Plan of 92 Cromwell Road

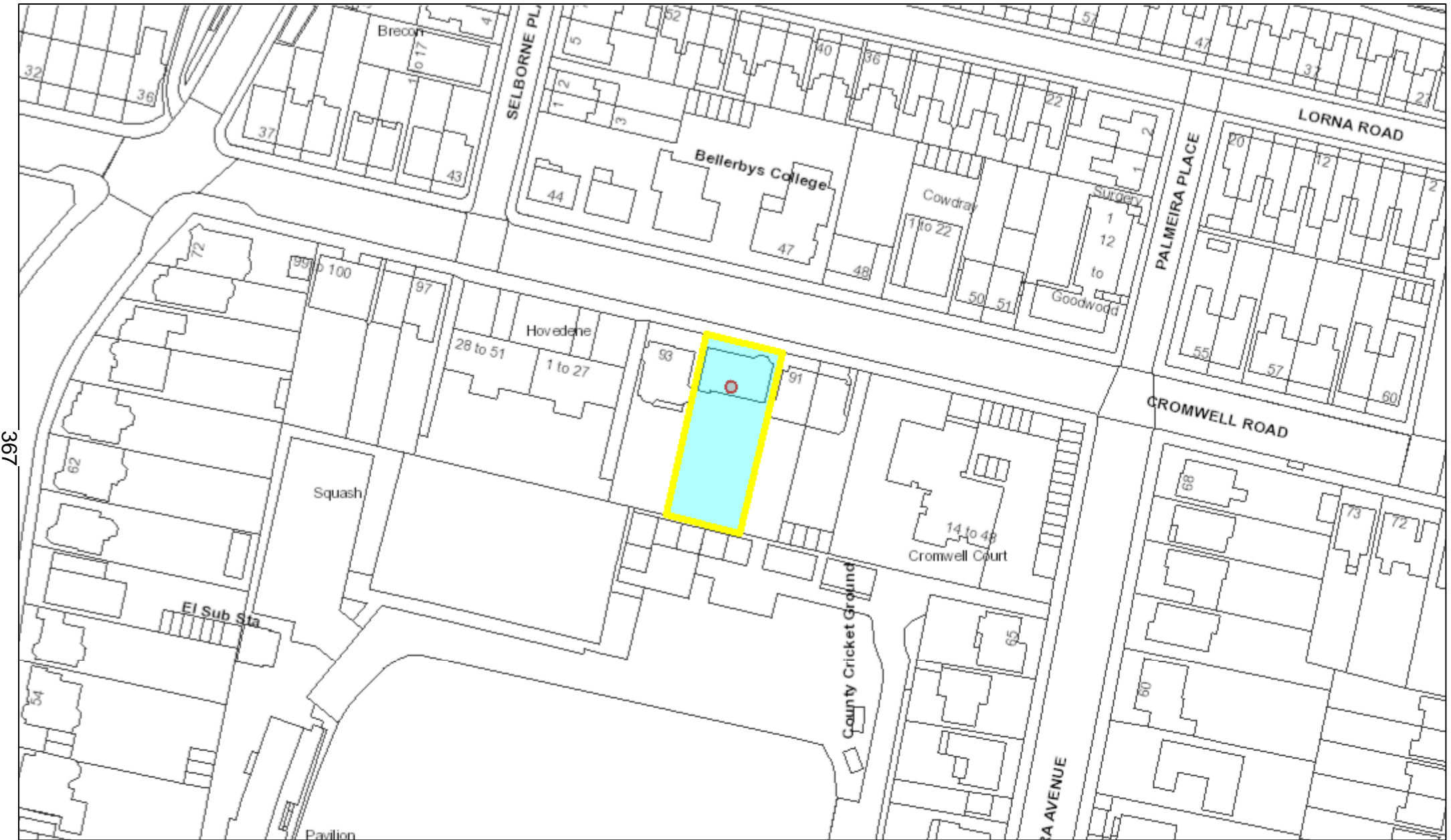
### **Documents in Members' Rooms**

There are none.

### **Background Documents**

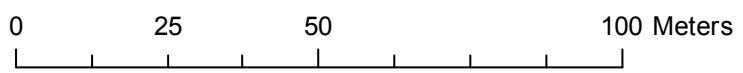
There are none.





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