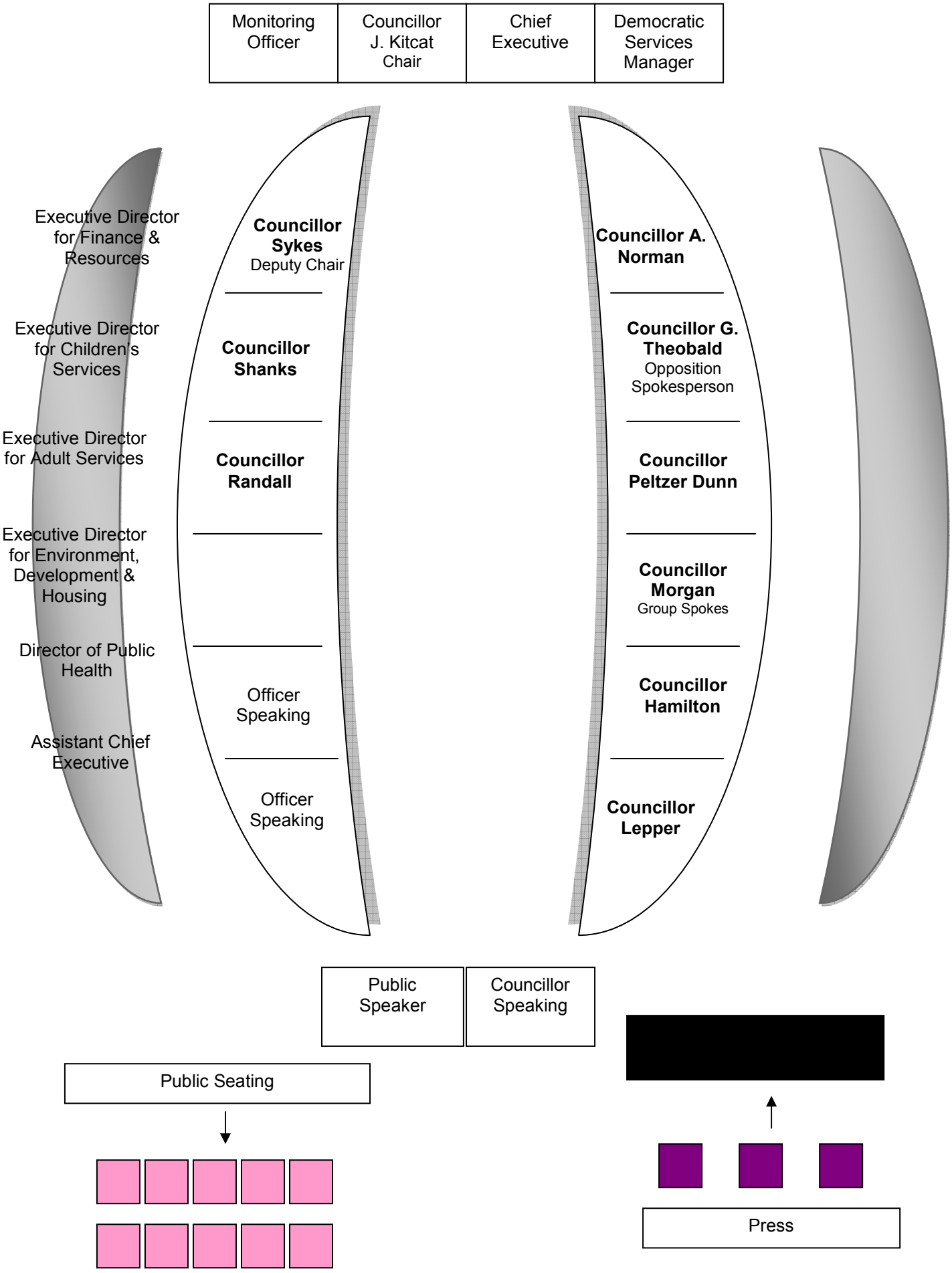
Brighton & Hove City Council

Policy & Resources Committee

Title:	**Policy & Resources Committee**
Date:	**4 December 2014**
Time:	**4.00pm**
Venue	**Council Chamber, Hove Town Hall**
Members:	**Councillors:** J Kitcat (Chair), Sykes (Deputy Chair), G Theobald (Opposition Spokesperson), Morgan (Group Spokesperson), Hamilton, Lepper, A Norman, Peltzer Dunn, Randall and Shanks
Contact:	**Ross Keatley** Acting Democratic Services Manager 01273 291064 ross.keatley@brighton-hove.gov.uk

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Democratic Services: Policy & Resources Committee



AGENDA

PART ONE **Page**

PROCEDURAL MATTERS

83 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.

84 MINUTES **1 - 28**

To consider the minutes of the normal meeting held on 16 October 2014 and the special meeting held on 17 November 2014 (copies attached).

Contact Officer: Ross Keatley

85 CHAIR'S COMMUNICATIONS

86 CALL OVER

(a) Items (89 – 100) 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

87 PUBLIC INVOLVEMENT **29 - 30**

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

(a) Petitions: to receive any petitions presented by members of the public to the full Council or at the meeting itself.

(i) Petition in relation to Local Taxation – lead petitioner David Walker (copy attached).

(b) Written Questions: to receive any questions submitted by the due date of 12 noon on the 27 November 2014.

(c) Deputations: to receive any deputations submitted by the due date of 12 noon on the 27 November 2014.

88 MEMBER INVOLVEMENT **31 - 32**

To consider the following matters raised by Members:

(a) Petitions: to receive any petitions submitted to the full Council or at the meeting itself;

(ii) Petition in relation to Palestine – Cllr. Duncan (copy attached).

(iii) Petition in relation to the West Pier Project – Cllr. A. Kitcat (copy attached).

POLICY & RESOURCES COMMITTEE

89 DRAFT BRIGHTON & HOVE CITY COUNCIL CORPORATE PLAN 2015-19 **33 - 92**

Report of the Chief Executive (copy attached).

Contact Officer: *Matthew Wragg* *Tel: 29-3944*
Ward Affected: *All Wards*

FINANCIAL MATTERS

90 BUDGET UPDATE AND SAVINGS 2015/16 **To Follow**

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

Contact Officer: *Nigel Manvell* *Tel: 29-3104*
Ward Affected: *All Wards*

91 COUNCIL TAX REDUCTION REVIEW **93 - 158**

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

Contact Officer: *Peter Francis* *Tel: 29-2542*
Ward Affected: *All Wards*

92 COUNCIL TAX EMPTY PROPERTY DISCOUNTS 2015/16 **159 - 170**

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

Contact Officer: *Paul Ross-Dale* *Tel: 29 - 1969*
Ward Affected: *All Wards*

93 TARGETED BUDGET MANAGEMENT (TBM) 2014/15 MONTH 7 **To Follow**

Contact Officer: *Jeff Coates* *Tel: 29-2364*
Ward Affected: *All Wards*

94 TREASURY MANAGEMENT POLICY STATEMENT 2014/15 (MID YEAR REPORT) **171 - 182**

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

Contact Officer: *James Hengeveld* *Tel: 29-1242*
Ward Affected: *All Wards*

POLICY & RESOURCES COMMITTEE

STRATEGIC & POLICY MATTERS

95 CORPORATE PROPERTY STRATEGY & ASSET MANAGEMENT PLAN 2014-2018 **183 - 216**

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

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

96 2014-15 - 6 MONTH PERFORMANCE UPDATE **217 - 252**

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

Contact Officer: *Andy Edwards* *Tel: 29-6823*
Ward Affected: *All Wards*

REGENERATION & PROPERTY MATTERS

97 NEW HOMES FOR NEIGHBOURHOODS - DEVELOPING NEW HOMES ON GENERAL FUND SITES **253 - 286**

Extract from the proceeding of the Housing Committee on 12 November 2014 (copy attached) together with a report of the Executive Director for Environment, Development & Housing (copy attached).

Contact Officer: *Sam Smith* *Tel: 01273 291383*
Ward Affected: *All Wards*

98 HOSTELS AND HOMELESS PROVISION **287 - 390**

Report of the Executive Director for Adult Services (copy attached).

Contact Officer: *Richard Denyer-Bewick* *Tel: 01273296370*
Ward Affected: *All Wards*

CONTRACTUAL MATTERS

99 TRAFFIC SIGNAL & CONTROL EQUIPMENT CONTRACT **391 - 396**

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

Contact Officer: *Sean Power*
Ward Affected: *All Wards*

GENERAL MATTERS

100 ANNUAL SURVEILLANCE REPORT 2014 **397 - 438**

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

Contact Officer: *Jo Player* *Tel: 292488*
Ward Affected: *All Wards*

101 ITEMS REFERRED FOR COUNCIL

To consider items to be submitted to the 11 December 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 10.00 am on 1 December 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.

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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.

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

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For further details and general enquiries about this meeting contact Ross Keatley, (01273 291064, email ross.keatley@brighton-hove.gov.uk) or email democratic.services@brighton-hove.gov.uk

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Date of Publication - Wednesday, 26 November 2014

BRIGHTON & HOVE CITY COUNCIL

POLICY & RESOURCES COMMITTEE

4.00pm 16 OCTOBER 2014

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

Present: Councillor J Kitcat (Chair) Councillors Sykes (Deputy Chair), G Theobald (Opposition Spokesperson), Morgan (Group Spokesperson), Bowden, Hamilton, Lepper, A Norman, Peltzer Dunn and Shanks

PART ONE

50 PROCEDURAL BUSINESS

(a) Declarations of Substitutes

50.1 Councillor Bowden was present in substitution for Councillor Randall

(b) Declarations of Interest

50.2 Councillor A. Norman declared a non-pecuniary interest in respect of Item 61: Targeted Budget Management (TBM) 2014/15 (Month 5) as she had opposed the planning application for the all-weather sports pitch at Dorothy Stringer School.

(c) Exclusion of Press and Public

50.3 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.

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

51 MINUTES

51.1 The minutes of the meeting held on 11 July 2014 were approved as a correct record of the proceedings and signed by the Chair.

52 CHAIR'S COMMUNICATIONS

52.1 The Chair gave the following Communications:

"Today's meeting will be web cast live and will be capable of repeated viewing.

Following the Call Over it is my intention to change the ordering of the agenda as there are public items which relate to matters on the agenda.

I propose that following the public question at Item 54 (b) we then take Item 63 Drug & Alcohol Recovery System Procurement Outcome together with the associated petition (item 54 a) and then Item 64 Integrated Community Equipment Service together with the associated deputation (item 54 c). We will then take the remaining items that have been called in the order listed on the agenda.

Congratulations to the team at the Royal Pavilion and Museums on winning £240,000 from the Heritage Lottery Fund to expand their World Art archive. The work they do continues to provide the people of Brighton and Hove and its visitors with an extremely valuable cultural destination.

Our legal team at the council has also found itself on the awards rota, claiming the title of Local Authority Family Legal Team of the Year at the Family Law Awards. A marvellous accolade for all their hard work; and Andrew Pack deserves a special mention for winning Family Law Commentator of The Year for his amply informative and engaging blog.

Well done to everyone in the city for making the Tour of Britain such a success. It was really wonderful to see 100,000 people come out to support on the day and it really highlighted how well Brighton and Hove delivers when providing a destination for international events of this type.

Finally, throughout October we will be marking Black History Month with a series of events around the city, including a free family fun day on 9th November at the Corn Exchange which promises music, films, food, children's workshops and of course fun.

It's particularly worth noting so many achievements at a time when the council is having to make some very tough choices. It really highlights the determination, wealth of ability and duty of care to citizens the council holds in its staff and members. As decisions get tougher I hope these strengths help to guide us in working together to make the right decisions for the future of our city. Also, on that note can I please remind and encourage everyone to take part in this year's budget consultation. Our 'Stop, Start, Change' conversation is helping us to think about radical and innovative solutions to the difficult decisions we face. You can take part by going to www.brighton-hove.gov.uk/bhbudget or have your say on Twitter @BrightonHoveCC or use #bhbudget."

53 CALL OVER

53.1 The following items were reserved for discussion:

Item 56	City Plan Part One – Changes Arising from Examination Process
Item 57	Off Plan Procurement – Residential Acquisitions
Item 58	Food Poverty Report
Item 59	Review of Members' Allowances – 2014
Item 60	Amendments to the Scheme of Delegations for Officers

Item 61 Targeted Budget Management (TBM) 2014/15 Month 5
Item 62 Life Events Mid Year Fees and Charges Review
Item 63 Drug and Alcohol Recovery System Procurement Outcome
Item 64 Integrated Community Equipment Service
Item 67 Hangleton Bottom

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

Item 65 Procurement of a Contract for Gas Servicing, Maintenance and Installations
Item 66 Insurance Tender
Item 68 Stanmer Park Heritage Lottery Fund Procurement Approval
Item 69 Shoreham Airport
Item 70 92 Cromwell Road – Surrender and Renewal
Item 72 Shoreham Airport – Exempt Category 3
Item 73 92 Cromwell Road – Surrender and Renewal – Exempt Category 3
Item 74 Drug and Alcohol Recovery System Procurement Outcome – Exempt Category 3

54 PUBLIC INVOLVEMENT

54.1 Item 54(a) Petition from Unison concerning Drug & Alcohol Misuse Services was considered with Item 63 and is detailed at minute Item 63. Item 54(c) Deputation from UNISON & GMB concerning the Integrated Community Equipment Store was considered with Item 64 and is detailed at minute Item 64.

54.2 The Chair noted that there was one public question, as listed in the agenda papers, from Ms Valerie Paynter concerning the i360. The Chair invited Ms Paynter to put her question:

54.3 Ms Paynter asked:

"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?"

54.4 The Chair responded:

"Loans to the council from the Public Works Loans Board are not secured loans. However, as senior lender the loan agreement with Brighton i360 gives the council the following security:

- Payments to the council are a first call on all net income generated by the i360.

- Cash generated by the i360 will be set aside in reserves (accessible only by the council) before any dividends are paid as a buffer against potential future shortfalls in income used to make payments to the council.
- If certain financial ratios (e.g. debt cover ratios) set out in the loan agreement fall below specified levels then various joint actions are triggered including working with business colleagues from the LEP on ways to improve the financial performance of the i360.
- The council also has step in rights to appoint a new operator or run the i360 itself under certain circumstances e.g. if payments due to the council are not made in full.
- The council has first call on all the assets of Brighton i360 should the project fail."
- Brighton i360 can afford to make full payments to the council covering both the repayments to the PWLB and the margin of over £1 million per annum even if visitor numbers are 40% below the forecast level.
- Brighton i360 can afford to make payments to the council to cover all the amounts due to the PWLB even if visitor numbers are 55% below the forecast level.
- The council also receives a range of other financial benefits linked to the i360 including additional business rates, rents and extra income from the Regency Square car park which when taken with the margin could generate a new income stream of over £1.5 million per annum. The council has agreed that this income will be invested back into the seafront."

54.5 By way of a supplementary question Ms Paynter asked:

"[In relation to the i360] Who owns the land, and does the Council have a mortgage on it?"

54.6 The Chair noted he would respond to Ms Paynter in writing after the meeting, and this response would be included in the minutes as set out below.

"Brighton i360 have taken a lease over the land on which the i360 attraction is being built from the West Pier Trust. To enable this single lease to be granted the Council surrendered its lease of two parcels of land either side of the original Pier structure to the Trust and once the attraction is completed the Trust will grant a new lease to the Council of land to replace that surrendered.

The Council, as Senior Lender, has security over the land and other assets of Brighton i360 Limited in the form of a fixed and floating charge and step in rights if required, which would allow it to take over the i360 and the lease and if need be to sell it on."

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

55 MEMBER INVOLVEMENT

55.1 The Chair noted there were no matters of Member Involvement listed on the agenda.

56 CITY PLAN PART ONE - CHANGES ARISING FROM EXAMINATION PROCESS

56.1 The Committee considered a report of the Executive Director for Environment, Development & Housing in relation to the City Plan Part One – Changes Arising from the Examination Process. The report sought approval to progress the City Plan Part One which was the city's strategy for land use, development and infrastructure to 2030. The City Plan was of fundamental importance to the city's future prosperity, and it provided an imperative for delivering much needed affordable homes and for encouraging sustainable development and high quality design. The report sought approval to go out to public consultation on the proposed changes to the Plan; the responses would be sent to the inspector.

56.2 Councillor Bowden stated that he supported the recommendations and hoped the Committee would agree the report. He highlighted the risks of proceeding without an agreed plan, and made reference to the potential financial consequences to the Council. If the report were not agreed at this point then it would largely undermine the volume of work that had already been undertaken by Officers.

56.3 Councillor G. Theobald stated that he could see little difference in this report to the one that had been withdrawn for the previous meeting of the Committee. He felt that identifying potential sites in the urban fringe for development would give the 'green-light' to developers to come forward with schemes on area of the city. In response the Chair noted that the direction of the report was in line with the wishes of the Inspector; who had requested that this study be undertaken – failure to agree this report would potential put much larger areas of the urban fringe at risk.

56.4 Councillor Morgan noted some of the development history of the city, and added that it was a necessity to protect parks and open green spaces whilst providing affordable homes. The Committee were urged to agree the report, and he stated that an adopted plan would allow the Council to better control development in the city. The report would not 'condemn' sites to development, and ensure the power of local determination would not be lost. He stated that the Labour Group wished to be honest and responsible; protect open spaces and allotments and provide new homes for residents.

56.5 Councillor Sykes noted that if the plan were not adopted then the main policy of relevance in the determination of Planning Applications would be the National Planning Policy Framework, and the local planning authority could be largely bypassed in the planning process.

56.6 The Chair noted the strategic necessity of the plan in terms of the city's position in the Greater Brighton economic group.

56.7 Councillor Bowden added that neighbouring authorities would be able to supply some of the city's housing need through greater co-operation.

56.8 The Chair then put the recommendation to the vote.

56.9 **RESOLVED:** That the Committee:

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) 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;

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;

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.

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

57 OFF PLAN PROCUREMENT - RESIDENTIAL ACQUISITIONS

57.1 The Committee considered a report of the Executive Director for Environment, Development & Housing in relation to Improving Housing Supply – Off Plan Procurement – Residential Acquisitions. The report sought approval for delegation 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 the identified housing needs. Detailed proposes on any specific capital schemes relating to the acquisition of residential on major development sites in the city would form separate reports to the Housing and Policy & Resources Committees.

57.2 Councillor Bowden noted his support for the report, and hoped this would be a mechanism to achieve more affordable housing. The proposals would give developers options and ease cash flows issues as well as making developments look more viable

and creating the new homes the city needed. The Chair noted that the report embodied the role the local authority should be playing.

57.3 Councillor Hamilton noted that from his role on the Planning Committee he and other Members were often disappointed with the amount of affordable housing that came forward on large schemes. He stated that any measures to help those on the waiting list for social housing would be very welcome.

57.4 In response to Councillor Peltzer Dunn the Executive Director for Environment, Development & Housing explained that it was the intention of Seaside Community Homes to develop more housing, but the challenge would be around the funding of this. There was approximately £25M in the HRA funding that could be used, but this had to be considered in the context of the cost of housing in the city. Work was being undertaken with the Department for Communities & Local Government to see how this could be supported by Central Government. The Executive Director for Finance & Resources explained that more information could be bought back to a future meeting once some initial consultation had taken place with the market.

57.5 **RESOLVED:**

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) 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;

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.

58 FOOD POVERTY REPORT

58.1 The Committee considered a report of the Assistant Chief Executive in relation to Food Poverty. The report responded to the Notice of Motion regarding food banks submitted to Council on 8 May 2014 which was then referred to the Committee on 11 July 2014; at that meeting Members requested a full report on the issues, incidence and response to food poverty in the city.

58.2 The Chair noted that a letter had been received from the food partnership, and stated he would be happy to participate in a round table discussion – this could form part of the Joint Strategic Needs Assessment that reported to the Health & Wellbeing Board.

58.3 Councillor Sykes welcomed the report and noted he would like to propose the following amendment:

"That Officers to attend a 'round table' meeting facilitated by the Food Partnership to consider food poverty in the city, and the actions from this meeting to feed into the Joint Strategic Needs Assessments undertaken by the Health & Wellbeing Board."

58.4 Councillor Morgan congratulated Officers and partner organisations for the work undertaken, and stated that the level of food poverty was shocking given the relative wealth of both the city and the region.

58.5 The Chair noted that food banks were only one part of a wider system of support.

58.6 Councillor A. Norman welcomed the positive work that was being undertaken by the Council, and she hoped the situation would improve in the near future.

58.7 The Committee agreed the additional recommendation, and the Chair then put the amended recommendations to the vote.

58.8 **RESOLVED:**

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) 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) That Officers to attend a 'round table' meeting facilitated by the Food Partnership to consider food poverty in the city, and the actions from this meeting to feed into the Joint Strategic Needs Assessments undertaken by the Health & Wellbeing Board.

59 REVIEW OF MEMBERS' ALLOWANCES - 2014

59.1 The Committee considered a report of the Head of Law & Monitoring Officer in relation to the Review of Members' Allowances 2014. In accordance with the council's recommendations the Independent Remuneration Panel (IRP) had undertaken a comprehensive review of the scheme. The IRP had conducted an online survey of Members and met with each of the Group Leaders, Chairs & Deputy Chairs of Committees, Opposition Spokespersons and other Members in July, and had taken on board the comments received. It was the view of the IRP that the new scheme should come into effect from Annual Council in May 2015. The Chair of the IRP, Mr Childerhouse, was also invited to address the Committee, and stated the IRP had been fully aware of the difficult financial position of the Council. The IRP had looked carefully at the Council's objectives and had tried to attract a wider range of individuals into public service. It was also added that the report was clearly evidence based, and much of the information came from the serving Members themselves.

59.2 The Chair thanked Mr Childerhouse for the work of the IRP – especially in relation to the projected reduction in cost of the new scheme. It was noted that this scheme would be for the incoming Council after the 2015 local elections.

59.3 Councillor Morgan reiterated thanks and stated that it was appropriate that Members should also take their save of the savings over the next few years. Members often had to give up a great deal to undertake the role, and it was important that they did not suffer financially as a consequence, the pool of Members should not always be drawn from the retired and financially independent. Councillor Morgan noted his support for the report and asked that colleagues did the same.

59.4 Councillor Sykes noted his thanks to the work of the IRP, and agreed it was important a wide range of individuals were attracted to public service. On a separate note he highlighted his disappointment at the national withdrawal of the Local Government Pension Scheme for elected councillors.

59.5 Councillor A. Norman thanked the IRP for their work; in response to some of the points she raised Mr Childerhouse stated that to attract younger candidates the dependency allowance had been bought more in line with the living wage, and he noted that the IRP had been aware of the much higher than estimated number of hours some Members put into their role each week. Councillor A. Norman noted this response, but added that not all young people would have dependants.

59.6 Councillor Peltzer Dunn agreed with others in the debate that all Members should contribute to the wider savings of the Council, but noted this was not explicitly set out in the report. He went on to explain his view that there was a vital role for the main opposition party within the city, and as such he opposed the removal of Special Responsibility Allowances for appointed Opposition Spokespersons – for this reason he would be unable to support the recommendations in the report. In response Mr Childerhouse noted that whilst the proposals were for the next four year administration there would always be the possibility of review by the IRP if any part of the new proposals were found to be causing issues or impacting on Members' ability to effectively undertake their roles.

59.7 Councillor Bowden noted that all Members undertook their roles as part of a sense of public duty, and he welcomed the comments of others on the Committee in relation to ensuring the pool of Members was wide and diverse.

59.8 Councillor Lepper stated she would support the report, but noted that she would be standing down at the end of this term in office – she also added that on the whole Brighton & Hove remunerated 'quite well' compared to other authorities. She also highlighted that it had been an ongoing source of frustration that she was unable to use her free older-persons bus pass before 9.00 a.m.; whilst younger colleagues on the Council who had annual bus-passes purchased for them, as part of the allowances scheme, could use them before 9.00 a.m.

59.9 The then put the recommendation to the vote.

59.10 **RESOLVED:**

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) 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 11th May 2015 as detailed in the IRP's report and the Scheme in appendix B;

3) That the Chief Executive be authorised to issue the Brighton & Hove Members' Allowances Scheme in accordance with the regulations following council approval;

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;

5) That the allowance payable to each of the members of the Independent Remuneration Panel be increased by 1% inline with the Public Sector pay award with effect from 21stMay 2015, in recognition of the time commitment and the role of the Panel.

60 AMENDMENTS TO SCHEME OF DELEGATIONS FOR OFFICERS

60.1 The Committee considered a report of the Head of Law & Monitoring Officer in relation to Amendments to the Scheme of Delegations to Officers. The report sought authority to amend the scheme of delegations to Officers to ensure better co-ordinated, efficient delivery of services resulting in better outcomes.

60.2 In response to Councillor G. Theobald the Monitoring Officer explained that resident requests for buildings to become assets of community value were currently dealt with at Officer level as the nature of the hearings tended to be technical – the report simple sought to amend the delegation to a different directorate. Officers agreed that a mechanism would be setup by which Ward Councillors would be informed of any such requests within their Ward, but it was noted that the Council had currently dealt with one of these to date.

60.3 Councillor G. Theobald asked further questions and it was clarified that the report sought to amend the delegation for housing related support, but this made no decision or comment about the level of funding or budget. Any change to this could ultimately form part of the formal budget process in 2015.

60.4 In response to Councillor Morgan it was explained the rationale behind merging some of the housing and social care functions was to move the accountability to the best place for overseeing safeguarding. Assurance was provided that there were no assumptions being made about staff performance; where there were ongoing grievances these were being dealt with properly. It was considered that this move was positive and reflected the integration of services. The Executive Director for Adult Services provided assurance that homelessness was a prevention priority and part of the Better Care Fund.

60.5 The Chief Executive provided further assurance that the organisation was dedicated to addressing issues around housing and homelessness, and the city was one of the few authorities where the Better Care Fund was looking at vulnerable adults as well as the

elderly. It was noted that the report was technical in nature, and simply related to Officer delegations.

60.6 The Chair then put the recommendation to the vote:

60.7 **RESOLVED:**

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) 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.

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.

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 1st April 2015 subject to the Chief Executive being satisfied having regard to the outcome of the consultation with staff.

61 TARGETED BUDGET MANAGEMENT (TBM) 2014/15 MONTH 5

61.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Targeted Budget Management (TBM) 2014/15 (Month 5). TBM was a key component of the Council's overall performance monitoring and control framework; the report set out the forecast outturn position (Month 5) on the Council's revenue and capital budget for the financial year 2013/14. Month 5 showed only a small improvement to the position overall (from Month 2) as the organisation approached the mid-point of the year; there continued to be significant pressures and forecast risks to manage across the General Fund Revenue Budget.

61.2 Councillor Sykes thanked Officers for the report, and noted his concern in relation to the budget position as the budget preparation from 2015/16 was beginning. Year on year demand for services in the city was increasing, and there were ongoing problems in City Clean in relation to the cost of industrial action.

61.3 Councillor A. Norman thanked Officers for the report; she stated that the positon within Adult Services summed up the projected overspend which was largely due to non-achievement of savings – this work was dependent on the commissioning review, and evidence of the delay was apparent and could have a detrimental impact of the most vulnerable residents. The trade union release time was currently being reviewed, and the additional funds from Central Government for pothole repairs were welcomed – as well as monies for retrofitting technology. The Executive Director for Finance & Resources clarified that there was not sufficient budget to fund the current central release time for staff; the organisation was reviewing to better understand this area and would make proposals for changes.

61.4 In response to Councillor A. Norman's queries about the catering contract at Hove Museum the Assistant Chief Executive explained that the museum was in-between contracts, and following the recent tendering process the new contract was due to be awarded.

61.5 Councillor G. Theobald noted the points already made in relation to City Clean and the release time for union staff; he stated he welcomed the review commitment made by the Executive Director for Finance & Resources. The Executive Director for Environment, Development & Housing stated whilst there was all intention of bringing the budget in on target the current dispute was challenging; however, a comprehensive service redesign was planned to help in future financial years.

61.6 The Chair noted that the largest proportion of the overspend related to social care, and it was hoped the Better Care Fund would go some way towards addressing this.

61.7 The Chair then put the recommendations to the vote:

61.8 **RESOLVED:**

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) 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.

3) That the Committee note the forecast outturn for the Housing Revenue Account (HRA), which is an underspend of £0.247m.

4) That the Committee note the forecast outturn position for the Dedicated Schools Grant which is an underspend of £0.548m.

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

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

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.

62 LIFE EVENTS MID YEAR FEES AND CHARGES REVIEW

62.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Life events Midyear Fees and Charges Review. In line with the Corporate Fees & Charges Policy, Life Events services regularly reviewed its non-statutory fees and charges and compared them with neighbouring local authorities that provided the same or similar services. In addition comparisons had been made against other local

private sector service providers. The proposals in the report would mitigate the income shortfalls being experienced in the service area in the current financial year and would place the service on a stronger footing for 2015/16.

62.2 Councillors Sykes thanked Officers for the work they had undertaken; he noted that the service as whole cost the Council money, and these proposals would allow these costs to be covered. It was noted that the majority of the income came from funeral directors, and there was still funds available through the National Funeral Support. Councillor Sykes noted the quality of the service that was provided, and hoped the Committee would support the report.

62.3 Councillor A. Norman noted that, whilst some of the increases would be to individuals at a very difficult time in their lives, the services provided were very good, and often better than other providers who charged notable more. She gave particular example of the services at Woodvale, and noted that the increases were reasonable and would allow the service to remain competitive.

62.4 It was confirmed for Councillor Peltzer Dunn that bookings made before the price increase would be honoured at the original lower price.

62.5 The Chair then put the recommendation to the vote:

62.6 **RESOLVED:** That the Committee approve the fees and charges for Life Events in Appendix 1 (Bereavement Services) and Appendix 3 (Registration).

63 DRUG AND ALCOHOL RECOVERY SYSTEM PROCUREMENT OUTCOME

63.1 The Chair noted there was a petition associated with this item from UNISON and called forward the lead petition, Mr Nick McMaster, to present for up to three minutes.

63.2 The petitioners stated that petition was led by UNISON with the intention of keeping the drug and alcohol recovery service within the NHS, and stop it being put out to tender. The current staff working within the service opposed this change and wished to remain part of the NHS – instead of a private profit making company. There was no obligation to put the service out to tender if it was meeting its goals, and a comparison was made to the tendering of sexual health services earlier in the year. The current system already provided a skilled workforce; was value for money, and it was felt that changes to the configuration of the service could undermine this. The staff were equally proud to have an NHS drug and alcohol recovery service, and this was of value to the city. There was also concern that the staff would lose their current NHS terms and conditions, and potentially there could be some loss of sick pay. The petitioners urged the Committee to support the petition, and at the least seek a deferral.

63.3 The Committee noted the petition.

63.4 The Committee considered a report of the Director of Public Health in relation to the Outcomes from the Adult Drug and Alcohol Recovery Procurement Process. In July 2013 the Committee had considered a paper which outlined the proposals for the Public Health contracts which had transferred to the Local Authority from the NHS; this included procurement plans for the Adult Drug and Alcohol Services. The

recommendation in the report was to award the contract to the preferred bidder, and this had also been agreed by the Health & Wellbeing Board on 14 October. The Committee were now asked to make the final decision.

63.5 The Chair noted there was a proposed amendment from the Labour & Co-Operative Group and invited Councillor Morgan to propose the amendment.

63.6 Councillor Morgan stated it was vital to ensure the service helped individuals recover from substance misuse, and some figures were provided in relation to level of alcohol and substance misuse in the city. The service should be local and accountable within the local NHS, and it was queried if the CCG and Council could have looked for ways to support the current service structure. Staff in the service were unhappy with how the service had been portrayed, and felt that their approach had been deemed 'anti-recovery', and that any concerns with the service should have been bought to the attention of the providers. Further work should have been undertaken with the Trust to reconfigure the service, and staff also felt they were unfairly criticised for maintaining the current service which they had not had a hand in shaping. There was also a lack of clarity in relation to the contracts and status of the staff. In summary it was reiterated that the position of the Labour Group was to keep the service locally provided by the NHS.

63.7 Councillor Lepper seconded the amendment.

63.8 In response to the Chair it was explained that there was independent consultant hired at the beginning of the process to speak to the service users and stakeholders; an open consultation was then conducted using the Council's website – there had been feedback from the open community through this process. Work had been undertaken with existing providers, and there had been quarterly performance meetings and a 'treatment performance' meeting. As part of the service specification there had been a bidder's briefing, and service providers had been invited to submit questions – there had been positive feedback from service providers throughout this process. There had been a two-stage dialogue: the evaluations panel had three meetings each feeding back and then the second stage with associated feedback. In relation to Social Workers from Adult Service's it was explained that the decision on where they would be employed could not be clarified until the final decision was made; however, there were ongoing conversations with the Adult Commissioner, the Public Health Commissioner and HR in relation to the affected staff to ensure staff were affected at a minimum level.

63.9 It was also clarified that this had been an open process; there had been an opportunity for the current service providers to come forward with a joint bid and this had not happened. It was felt the process had been conducted properly in line with the necessary legal requirements. The Chair went on to clarify that the evaluation panel, which included service users, had all agreed with the final recommendation for the preferred bidder, and he added that this bidder was a non-profit organisation with an NHS provider as a partner. The Committee had also unanimously agreed this position in the report in July 2013.

63.10 Councillor G. Theobald stated that he had listened to views of the Professional Officers at the Health & Wellbeing Board on Tuesday, and he could not see any reason to defer the report. The procurement process had been done properly and the service users,

who had been part of this process, should be at the centre of the service and supported this decision. The preferred bidder was a highly experienced charity that provided services for other local authorities.

63.11 In response to Councillor Shanks it was explained that the shift in the emphasis in the service focused around the recovery agenda and the reintegration of service users into the community through employment training and education; with treatment being considered one facet of the recovery journey. There would be greater work with the Department for Work & Pensions (DWP); currently this type of work was 'added' to the service, but there had been shift towards a more social and integration model of service design.

63.12 Councillor Sykes noted he had received lots of correspondence in relation to this matter; as well as concerns about the costs of the procurement exercise. He noted that the proposal was not to 'privatise' the service, but instead to allow a new third sector and NHS provider to take it on. He could not support a deferral, and felt that the options proposed in the report was much more preferable to the arrangements in some local authorities.

63.13 Before the Committee voted on the amendment the Chair referred to the Monitoring Officer for any legal advice. The Monitoring Officer explained that the amendment followed a similar one that had been tabled at the Health & Wellbeing Board – at that time the Deputy Head of Law had given appropriate advice about the legal position. This amendment now went further and proposed that the contract be awarded to a specific organisation, and it was considered that this carried a significant legal risk as there was a legal requirement for the award of contracts to be fair, transparent and to not discriminate. If the amendment were adopted it could easily be viewed as preferential and outside of the robust procurement process; the risk of legal challenge would be significant and likely to succeed. It was also added that it was important the Committee give due attention and considered to the recommendations from the Health & Wellbeing Board; any departure should only be in exceptional circumstances.

63.14 The Chair then put the Labour amendment to the recommendations (as set out below) to the vote:

"That the decision on awarding the Adult Drug and Alcohol Recovery Service contract is deferred to allow Sussex Partnership NHS Trust more time to formulate an alternative bid."

63.15 The amendment was **not carried**.

63.16 The Chair then put the substantive recommendations, as listed in the report, to the vote.

63.17 **RESOLVED:**

1) That the 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) That the 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.

64 INTEGRATED COMMUNITY EQUIPMENT SERVICE

64.1 The Chair noted there was a deputation associated with this item from UNISON and called forward the lead representative, Mr Alex Knutson, to present for up to five minutes.

64.2 Mr Knutson explained that the recommendation in the report was for the Integrated Community Equipment Service (ICES) contract to be procured with West Sussex County Council (WSCC) in October 2015. Reference was made to the makeup of the Health & Wellbeing Board, and it was felt the report before the Committee was inadequate as it gave two options, but did not give any details of the option to use the 'in-house' staff to commission the service. It was noted that Sussex Community Trust had not provided detailed financial information to Officers and the Health & Wellbeing Board and commissioners, and whilst commissioners had supplied a summary of the specification there was not enough information for UNISON and GMB toto put together an 'in-house' bid.. It was noted that this placed any private bidder in the same position, but without this information it was felt the decision of the Health & Wellbeing Board had been taken without all the necessary information. The representatives called on the Trust to give all the necessary information for the service, and it was felt the Committee should have asked for this information before taking a decision.

64.3 The representatives giving the deputation went on to state that the Committee had a responsibility to local residents; the staff in the service and the service users, and it was noted that there was a 98% approval rating for the service. The Committee were requested to refer the report back to the Health & Wellbeing Board, and allow the trade unions to submit a bid on behalf of the current staff. It was noted that the service was not in any sort of crises, and there would be an impact for the service as a preferred bidder would likely be seeking to maximise profits. It was stated that the Chair had offered to help facilitate an in-house bid, but it was noted that information was not provided at the meeting as had been proposed. The representatives asked that the matter be deferred to explore the other options for the future of the service, and it was felt the 'in-house' option could deliver a better service in view of the wider budget cuts of the organisation.

64.4 The Committee noted the deputation.

64.5 The Committee considered a report of the Executive Director for Adult Services in relation to the Integrated Community Equipment Service (ICES). The report had been referred from the Health & Wellbeing Board for decision as it related to matters that involved externalising a service that the Council jointly funded and commissioned. The Health & Wellbeing Board had agreed to recommend to the Committee that the CCG enter into a contract with the equipment provider selected by WSCC.

64.6 The Chair noted there was a proposed amendment from the Labour & Co-Operative Group and invited Councillor Morgan to propose the amendment.

64.7 Councillor Morgan stated that the speakers on the deputation had made an excellent case to the Committee; he reiterated the 98% satisfaction rate with the current service provision. The service had a dedicated team, and whilst the building itself was no longer fit for purpose, it was important to pause to see if the existing providers could come forward with a workable bid. Councillor Morgan queried if the capital receipts from sales could be used for investment, and went on to add that it was vital there be an excellent local health service employing local people. The Committee were urged to support the proposed amendment.

64.8 Councillor Lepper seconded the amendment.

64.9 The Chair stated that he had offered to facilitate the meeting, as suggested in the deputation; however, getting hold of the information had proved difficult. It was noted that Sussex Community Trust had given notice on the existing service and the decision was one which in the Council had been forced to take. The Committee had already agreed to the principle of this direction of travel, and the level of pressure in the social care budget was emphasised.

64.10 Councillor G. Theobald noted that like the previous item this had been considered at the Health & Wellbeing Board, and it had been the view of the health professionals that this was the best way forward, and there were arguments that Councils should be doing more of the type of joint working that was being suggested in the report. He noted that the funds were not available to invest, and this option was considered to be the best outcome for residents; for these reasons he could not support the amendment. The Chair added there was no question in relation to the quality of the existing service provision.

64.11 Councillor Shanks queried if the Council could make a request to WSCC that the provider not be a private company. In response the Chair explained that the provider had served notice, and if this option were not approved then the provision of a replacement service could be severely jeopardised.

64.12 Councillor Hamilton noted his own experience of the excellent service that was currently provided, and explained the issues he had found in dealing with WSCC Social Services.

64.13 Councillor A. Norman noted that 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. It was noted that at the Health & Wellbeing Board the decision had been made unanimously by the health professionals.

64.14 In response to Councillor Peltzer Dunn it was explained that without a replacement service there was an expectation that individuals would have to stay in hospital longer as the required equipment could not be provided to them.

64.15 Councillor Bowden noted he was sympathetic to the Labour amendment; he would welcome a bid from the staff currently providing the service, and he felt there was adequate time to allow them to do this.

64.16 Councillor Sykes noted his sympathy with the deputation, and stated that the current service had been widely praised and he felt the position of the trade unions needed to be heard.

64.17 In response to some of the points raised Officers explained that it was important to join the West Sussex tendering process at the earliest opportunity to achieve economies of scale. The CCG had been very clear of their position to go with the tendering process, and it was noted that this approach had been approved by the Health & Wellbeing Board. The Monitoring Officer clarified that the amendment had been drafted in view to exploring other options or an 'in-house' bid; any procurement exercise would need to be fair and transparent without giving preference to any single provider. It was added that the view of CCG, who were the majority partnership, and the recommendation of the Health & Wellbeing Board needed to be carefully considered. The Council should seek to avoid a situation of uncertainty, and if the proposed option were not agreed then this could lead to a gap in the service – such a decision could be deemed unreasonable.

64.18 The Chair responded to further points in the debate and stated that the recommendations as listed in the report would provide for a fair and transparent procurement; he reiterated that the Council was the minority funder of the service.

64.19 Councillor Morgan expressed his concern that the final provider would be chosen by WSCC. In response the Monitoring Officer stated that the WSCC procurement would be open and transparent and compliant with EU procurement rules.

64.20 In response to Councillor Peltzer Dunn it was estimated by the Executive Director for Adult Services that it could take up to a year to consider any options coming forward on the basis set out in the proposed amendment. It would be necessary to get the data from Sussex Community Trust to put together a detailed specification. The report had dismissed the option of the service coming in-house due to the associated costs, and it was felt that to go through a procurement process as suggested in the amendment would go beyond the September deadline for the expiration of the current service.

64.21 Councillor A. Norman noted that the Health & Wellbeing Board had made its professional view on the matter clear, and that this was in the best interests of the service users.

64.22 The Chair then put the Labour & Co-Operative amendment to the recommendation (as set out below) to the vote:

"That Policy and Resources Committee defer the decision on awarding the contract and request that the Executive Director Adult Social Care and Health investigate on an urgent basis the possibility of establishing a viable option around a local NHS or voluntary sector service employing existing staff, working in co-operation with other NHS Trusts in the city, and using capital receipts from the disposal of the current site to establish a new centre under local public or voluntary sector management."

64.23 The amendment **was carried**.

64.24 At this point in the proceedings the Chair called for an adjournment to allow Officers to consider the legal position of the agreed amendment.

64.25 Following the adjournment the Monitoring Officer explained that, whilst the amendment had been carried, the legal and financial consequences of the decision were not clear to the Committee. The service was jointly commissioned by the Council and the CCG – who were the majority provider of the service. Neither the CCG nor the Health & Wellbeing Board had been consulted in relation to the amendment. The Committee had not taken into account all relevant issues, in line with principles of administrative law, and the Monitoring Officer was of the view that to take a decision on the amended recommendation would be unlawful. It was recommended that the Committee defer the final decision to allow further legal and financial information to be considered; as well as the timescales for the WSCC procurement process. Both the Executive Director for Finance & Resources and the Executive Director for Adult Services agreed with this position.

64.26 **RESOLVED:** That the Committee defer the report.

65 PROCUREMENT OF A CONTRACT FOR GAS SERVICING, MAINTENANCE AND INSTALLATIONS

65.1 **RESOLVED:** That the 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.

66 INSURANCE TENDER

66.1 **RESOLVED:** That Committee grant delegated authority to the Executive Director of Finance & Resources following consultation with the Chair, to award the insurance contract following evaluation of bids and consideration of the council's retained insurance broker's recommendations and the Insurance Manager's assessment and take all other steps necessary for the implementation of the contract.

67 HANGLETON BOTTOM

67.1 The Committee considered a report of the Executive Director for Environment, Development & Housing in relation to Hangleton Bottom. The report recommended that alternative temporary transit provision was made during the period that Horsdean Transit site was due to be closed. The report noted that without a transit site the potential for unauthorised encampments in the city would be greater on City Parks and

Public Recreation Grounds. The report sort landowners consent for the use of the Council owned land at Hangleton Bottom as a temporary traveller site.

67.2 Councillor G. Theobald noted he did not support the recommendation in the report, and felt the site could be better used for housing, and expressed concern that some of conditions in relation to the planning permission at the Horsdean site had not been discharged. The Executive Director noted that Officers were working to discharge the conditions at the Horsdean site.

67.3 The Chair noted that having an authorised site put the authority in a stronger to manage unauthorised encampments.

67.4 Councillor Hamilton noted that the site had been identified as a waste and minerals site; he went on to add that he could not support the report due to the close proximity of residential properties and the poor access to the site. He stated his concerns that the work at Horsdean could take longer than planned and as such he would not support the recommendations in the report.

67.5 The Chair confirmed the temporary use of the site would be for one year.

67.6 The Chair put the recommendation to the vote.

67.7 The recommendations in the report were **not carried**.

68 STANMER PARK HERITAGE LOTTERY FUND PROCUREMENT APPROVAL

68.1 **RESOLVED:**

1) That the 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) That the 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.

69 SHOREHAM AIRPORT

69.1 **RESOLVED:**

1) That the Council notes that the scheme approved by P&R on 1 May 2014 is no longer proceeding.

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.

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.

70 92 CROMWELL ROAD - SURRENDER AND RENEWAL

70.1 **RESOLVED:**

1) That the Committee authorise the termination of the existing lease for the upper parts of 92 Cromwell Road by accepting a surrender.

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.

71 ITEMS REFERRED FOR COUNCIL

71.1 There were no additional items referred to the Council on 23 October 2014.

72 SHOREHAM AIRPORT - EXEMPT CATEGORY 3

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

73 92 CROMWELL ROAD - SURRENDER AND RENEWAL - EXEMPT CATEGORY 3

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

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

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

75 PART TWO MINUTES

75.1 **RESOLVED:** That the Part 2 minutes of the last meeting held on 11 July 2014 be approved as a correct record of the proceedings and signed by the Chair.

76 PART TWO PROCEEDINGS

76.1 **RESOLVED:** That the information contained in the appendix, Items 72, 73 & 74, relating to the reports listed at items 96, 70 & 63 on the agenda and the minutes of the last meeting item 75 remain exempt from disclosure to the press and public.

The meeting concluded at 7.28pm

Signed Chair

Dated this day of 2014

BRIGHTON & HOVE CITY COUNCIL

SPECIAL POLICY & RESOURCES COMMITTEE

10.00am 17 NOVEMBER 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, Lepper, A Norman, Peltzer Dunn and Randall

PART ONE

77 PROCEDURAL BUSINESS

(a) Declarations of Substitutes

77.1 Councillor Davey was present in substitution for Councillor Shanks.

(b) Declarations of Interest

77.2 There were no declarations of interest in matters listed on the agenda.

(c) Exclusion of Press and Public

77.3 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.

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

78 CHAIR'S COMMUNICATIONS

78.1 The Chair gave the following communications:

"Today's meeting will be web cast live and will be capable of repeated viewing.

Welcome to this Special meeting of the Policy & Resources Committee. As Members will recall, we discussed this item at our last meeting on 16 October. At that meeting, we had a presentation from officers and received a deputation from the unions. An amendment to defer consideration of the matter pending consideration of alternative options was carried, but we did not go on to vote on the substantive motion.

At the time, members did not have all the necessary information on the basis of which they could make an informed, rational decision that satisfied legal requirements and that secured a sustainable service for customers in the city. In particular:

- Given the fact that this was a joint service, with the CCG being the major partner, it would have been unsafe to proceed without ascertaining the wishes and intentions of the CCG;
- The impact of any delay on the procurement process was uncertain and there was a risk that it could be too late to re-join the West Sussex framework in time for implementation in September 2015;
- The legality and practical feasibility of the alternative options was far from certain.

Given the above reasons, we were advised by the Monitoring Officer, the Section 151 Officer and the Executive Director of Adult Social Care to defer consideration of the item to give officers time to obtain the additional information and come back to a special meeting of P&R as soon as possible. We resolved to defer consideration of the item and reconvene at a special meeting.

We now have a revised report that incorporates all the necessary information and on the basis of which we are able to make a decision.

As I said earlier, although the amendment was carried, we did not vote on the substantive motion and instead decided to defer consideration of the item. In any event, the report before us does what the amendment was asking for and we will therefore proceed to the debate and not revisit the amendment.

I have been notified of a deputation from Unison and GMB, which I have agreed can be presented. I would point out that we already had a deputation at the last meeting of this committee from Unison & GMB. The normal expectation under the constitution is that we do not have a deputation which is the same or substantially the same as one presented in the last 6 months. However, given the importance of this item and the unusual circumstances of the case, it has been decided not to invoke those procedures. This is very much an exception and I do not want it to be seen as setting a precedent."

79 PUBLIC INVOLVEMENT

79.1 The Chair noted that there was one deputation, as listed in the agenda papers, from UNISON & GMB concerning the Integrated Community Equipment Store and invited Mr Alex Knutson and Mr Gary Palmer to come forward and put their deputation to the Committee.

79.2 Mr Palmer stated that he was of the view that the outcome of the decision in relation to Item 81 was foregone conclusion; he felt the matter had been "pushed through" by Officers and there had been insufficient consultation with staff. There was also concern that the deadline for submission of the deputation content had been before the publication of the report – due its late publication to allow consultation with partners. Mr Palmer considered that a staff led option for the service had not been properly considered by Officers, and that staff had "given up the fight". It would now be important to focus attention on the preferred provider chosen by West Sussex County Council,

and assurances were sought that there would be no job losses and pay and conditions would be protected. Mr Palmer asked that the Committee stand by the amendment it agreed on 16 October 2014.

79.3 Mr Knutson added that there had not been time to allow an in-house bid to be produced, and there was concern that the Committee did not have the full knowledge of the service to allow them to make a fully informed decision as the Trust had not produced the figures and data for the service. Assurances were sought that in future there would be an opportunity for in-house bids to come forward on services that were to be put out to tender. It was reiterated that the terms and conditions of affected staff should be protected.

79.4 The Chair responded to the deputation and stated the proposal to work in partnership with West Sussex and NRS would have positive benefits to the residents of the city, and they would benefit from a larger range of equipment, timed deliveries, more effective tracking of equipment and a more cost effective 7 day a week service. Staff would be working for a company with a long history of supplying aids to support independent living.

The written deputation referred to information and assistance from Officers to help with an in-house bid and there appeared to have been some confusion about what information would be available to staff. On 16 September 2014 the Chair had visited the ICES store and explained that as Sussex Community Trust (SCT) were withdrawing the Council would need to ensure there was a new provider in place by October 2015. He had explained that he was open to hearing the ideas of staff about how they could provide the service, but that the decision-making process could not be paused.

A meeting then took place between Commissioners, SCT, Council managers and union representatives. The Union representatives asked for information and were sent the 12 bullet point summary highlighting the requirements of the service going forward. The full specification produced by West Sussex was publicly available. Had this process ended in a tender then Commissioners would have to supply the exact same information to any other interested parties.

There had been regular meetings between managers, Commissioners and ICES staff as well as staff bulletins. Staff had received prior notice of every report that has gone to Committee and been given the opportunity to ask questions. There was a meeting set up immediately after the last Committee meeting on 20 October between managers, ICES, HR and the unions, but at the request of staff this was only attended by ICES staff.

The written deputation referred to a survey of users of the service and consultation would take place once a decision has been made about the future of the service to ensure the service meets the needs of local customers. This consultation would focus on what is important to customers in how the service is delivered – not on who the service is delivered by.

The written deputation also highlighted some concerns about working practices and terms and conditions at NRS. The report set out the benefits of working with NRS. West Sussex County Council have specified in their tender documents that the provider had

experience of supporting staff transferring from other organisations and that they have a 'record of honouring terms and conditions of employment post TUPE' and that they 'access the Admitted Body Status to the Local Government Pension Scheme'. The fact that staff who TUPE transferred from West Sussex 9 years ago are still working for the organisation was positive.

79.5 **RESOLVED** – That the Committee note the deputation.

79.6 There were no other petitions, public questions or deputations.

80 MEMBER INVOLVEMENT

80.1 There were no Member petitions, written questions, letters or notices of motion.

81 INTEGRATED COMMUNITY EQUIPMENT SERVICE 2014

81.1 The Committee considered a report of Executive Director for Adult Services in relation to the Integrated Community Equipment Store (ICES). The report provided further information on the future of the ICES following the deferral of the decision about the future provision of the service at the meeting of the Committee on 16 October 2014. The equipment service was commissioned jointly between the Council and the CCG, and had been provided via a Section 75 agreement between the Council and SCT since 2004. SCT had given notice on the contract and would cease to provide the service on 30 September 2015; the report therefore setting out options for the future of the service. The CCG had indicated that their preferred option was to abide by the decision reached collectively at the Health & Wellbeing Board on 9 September 2014 to work in partnership with the Council and the service commissioned by West Sussex County Council (WSCC). If the Committee were to agree a different option the CCG would actively pursue their preferred option to work with WSCC and potentially leave the current ICES service as a standalone Council service – as opposed to a joint health and social care service.

81.2 In response to questions raised by Councillor Randall the Executive Director for Adult Services explained that the Council intended to base contract negotiations around the information it was currently in receipt of such as the tracking of equipment, but some of the finer detail had not been given over by SCT; however, there was benchmarking data information which would further aid this process. In response to a further query the Executive Director explained that the Council would work closely with HR, the trade unions and the preferred provider going forward to secure staff terms and conditions. They were already known to be good employers and the Executive Director was of the view, but could not guarantee, that they were a living wage employer. It was reiterated that staff that had transferred over from WSCC over nine years were still with the provider.

81.3 Councillor Morgan stated his view that the decision to outsource the service had already been made following the decision of the Health & Wellbeing Board in September – he felt the process had created questions of how decisions were made in relation to health matters. Were there an NHS alternative bid before the Committee then this would be backed, but he felt the Committee would have to support the proposals before them to prevent the service being split. It was important that the current team be able to continue

providing local services to people, and be based in the city. Councillor Morgan felt these decisions were going to become increasingly frequent and it was vital that health services be accountable and public.

81.4 Councillor Sykes stated his view that there had been a collective failure on the part of both politicians and trade unions to properly produce an in-house bid for the service; however, he felt that to block the proposals would be to the detriment of the service users.

81.5 Councillor G. Theobald stated that this was now the third time the proposal had been before him and each time the advice had been consistent. He acknowledged the concerns of the staff, but he was of the view that the needs of residents must come first and the provision of this service with WSCC would ensure that residents were able to stay in their own homes. The national trend was towards integrated health and social services, and he was disappointed that one of the first instances of this model of working had been turbulent. He stated it was not practically possible for the Council to run its own service; the preferred bidder had a strong track record, and the decision was supported by the CCG.

81.6 Councillor Randall noted the necessity to have provision in place, and queried if there could be some provision in the contract to secure the living wage for staff; he noted the importance of the decision and stated he would support the report.

81.7 Councillor A. Norman stated the meeting had been useful to give the Committee more information. She noted that as medical advances were made then additional support had to be provided for individuals coming out of hospital. Councillor A. Norman highlighted that she applauded the work of the team at ICES, but with the current provider pulling out of the service a decision had to be made about the future service provision, and it would be harmful not to agree the recommendations in the report.

81.8 Councillor Hamilton stated he was disappointed that the health service were pulling out of providing this service, but he felt that more work could have been undertaken since September 2013 to look at other options. He expressed concern in relation to the four staff currently employed by the Council, and agreed with others on the Committee that their terms and conditions should be protected. He also added that he had received assurance from the Executive Director that the service would remain free at the point of delivery.

81.9 At this point in the meeting the Executive Director explained that if the recommendations were agreed it was important that the work be able to progress quickly with the preferred provider, and it was their preference to have a base in the Brighton area.

81.10 Councillor Peltzer Dunn stated that he would have supported the substantive recommendations at the previous meeting, but he felt the additional information had been valuable and clarified the situation. He added that any other decision would be to the detriment of residents of the city.

81.11 The Chair added that the scale of the local population was not enough for the level of service that was required, and therefore it was necessary to enter into the larger contract. There had been missed opportunities in the past, and this had not been to the

benefit of the staff and service users. The Chair also added that he had been concerned with some of the questioning of the Health & Wellbeing Board set up as this was happening nationally, and the Council's governance arrangements were leading on this to deliver improved outcomes for service users.

81.12 The Chair then put the recommendations to the vote.

81.13 **RESOLVED** - That the Committee agree to the Council entering into a tailored contract with the equipment provider selected by West Sussex County Council (WSCC) to meet the needs of the residents of Brighton & Hove as recommended by the Health & Wellbeing Board on 9 September 2014. The CCG have indicated their preferred option is to enter into a contract with the WSCC contractor.

82 ITEMS REFERRED FOR COUNCIL

82.1 There were none.

The meeting concluded at 10.53am

Signed Chair

Dated this day of 2014

POLICY & RESOURCES COMMITTEE	Agenda Item 87(a) Brighton & Hove City Council

Subject:		**Petitions**		
Date of Meeting:		**4 December 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**		
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 Petitions referred from the Council meeting on 23 October 2014:

(i) Local Taxation

To receive the following petition signed by 612 online signatures and 20 paper signatures:

"We call upon Brighton & Hove City Council to invest time and resources now into investigating all possible legal avenues to make those residents with the greatest housing wealth pay a greater contribution in local taxes, and do this with full engagement between the Council and residents. Furthermore, we ask Councillors from Brighton & Hove Green Party and Brighton & Hove Labour Party to do everything possible to support Council Officers in the development of a more progressive form of local funding that will support life for the many, not just the few."

Lead petitioner – David Walker

POLICY & RESOURCES COMMITTEE	Agenda Item 88(a) Brighton & Hove City Council

Subject:		**Member Petitions**		
Date of Meeting:		**4 December 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**		
Wards Affected:	**All**			

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- 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 Petitions referred from the Council meeting on 23 October 2014:

(i) Palestine

To receive the following petition signed by 412 signatures:

"We ask that the Council enters into no business with any firm or company originating from Israel or complicit in its occupation of Palestinian territories, and that it reviews all current contracts to ensure that any financial relationship with any such firm is ended as soon as lawfully possible."

Lead petitioner – Cllr. Duncan

(ii) Regency Square Hoteliers – West Pier Project

To receive the following petition signed by 12 signatures:

"The West Pier Project (WPP) provides supported/managed accommodation for up to 40 residents suffering from alcohol, drug abuse and mental illness. The WPP is close to shops selling cheap alcohol and a person suspected of dealing in drugs was recently arrested around the corner in Preston Street. The WPP residents attract friends who sit on the steps of the WPP and local hotels/buildings and also the nearby garden benches. These friends are often street drinkers.

The anti-social behaviour is seriously affecting our business and will also affect the popularity if the i360. We, the undersigned, believe the WPP is a serious contributory cause of ASB. We believe that the WPP should no longer house residents who are alcohol and drug dependent."

Lead petitioner – Cllr. A. Kitcat

POLICY & RESOURCES COMMITTEE	Agenda Item 89 Brighton & Hove City Council

Subject:		**Draft Brighton & Hove City Council Corporate Plan 2015-19 and Medium Term Financial Strategy**
Date of Meeting:		**4 December 2014, Policy & Resources Committee** 19 March 2015, Policy & Resources Committee 26 March 2015, Full Council
Report of:		**Chief Executive**
Contact Officer:	**Name:**	**Matthew Wragg** **Tel: 29-3944**
	Email:	**matthew.wragg@brighton-hove.gov.uk**
Ward(s) affected:		**All**

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 The Corporate Plan is part of the council's policy framework. The draft Corporate Plan 2015-19 sets the overall direction for the council over the coming four years, describing our purpose and ambition as local authority for the city. It also sets out our vision, principles and priorities, which are shared with Brighton & Hove Connected (the city's public, community and private sector partnership).

1.2 The Medium Term Financial Strategy (MTFS) has been developed with and is presented alongside the draft Corporate Plan. This aligns our principles and priorities with strategic investment in council services. Both documents are produced to address the severe financial challenges facing the council and how these will be met through service modernisation and prioritisation.

2. RECOMMENDATIONS:

2.1 That Policy & Resources Committee:

(i) Approve the draft Corporate Plan 2015-19 and draft Medium Term Financial Strategy; and

(ii) Direct that the final version of the Corporate Plan 2015-19 and Medium Term Financial Strategy be referred back to Policy & Resources Committee after Budget Council in February 2015, for consideration.

(iii) At its meeting on 19 March 2015 approve the final version of the Medium Term Financial Strategy; and refer the final version of the Corporate Plan 2015-19 to Council for approval.

2.2 That Council approve the final version of the Corporate Plan 2015-19.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 The Corporate Plan is part of the council's policy framework. The draft Corporate Plan 2015-19 sets the overall direction for the council over the coming four years, describing our purpose and ambition as local authority for the city.

Our purpose & ambition

- Strong civic leadership
- Value for money
- Quality public services
- Protect the vulnerable

3.2 It also sets out our vision, principles and priorities, which are shared with Brighton & Hove Connected (the city's public, community and private sector partnership).

Our principles

- Increasing equality
- Improving engagement

Our priorities

- Economy & housing
- Children & young people
- Health & wellbeing
- Community safety & resilience
- Environmental sustainability

3.3 The Corporate Plan is a key part of the council's budget and business planning process. New, directorate level plans will be produced annually to support delivery of the Corporate Plan 2015-19.

3.4 The stages of the budget and business planning process are as follows:

Plan/strategy	**Month**
Brighton & Hove – the connected city (Brighton & Hove Connected, the Sustainable community strategy)	3 yearly
Brighton & Hove City Council Budget	February (Annual)
Corporate Plan 2015-19	March 2015 (4 yearly)
Directorate Plans	March (Annual)
Service plans (Corporate Management Team level or service level, at Director discretion)	March (Annual)
Individual staff performance and development plans	April (Annual & mid year review)

3.5 Progress against the plan will be monitored through the council's Performance and Risk Management Framework, including 6 monthly performance updates to Policy & Resources Committee.

3.6 Resident/customer satisfaction measures, such as the City Tracker survey (an annual perceptions survey of 1000 residents about the city, council and other public services), will also be used to monitor delivery of the Corporate Plan.

3.7 The Medium Term Financial Strategy (MTFS) has been developed with and is presented alongside the draft Corporate Plan. This aligns our principles and priorities with strategic investment in council services.

3.8 Both documents are produced to address the severe financial challenges facing the council and how these will be met through service modernisation and prioritisation ahead.

3.9 While the MTFS shows that there is a significant budget gap to address over the next 5 years, amounting to £102.4 million, it also shows that the council's General Fund budget will continue to provide gross service spending in excess of £300 million each year.

3.10 The focus of the MTFS is therefore on where this substantial revenue spending will continue to be invested to provide essential public services and support the business and visitor economies

3.11 This is supported by a 10 year Capital Strategy that will identify capital schemes to support Corporate Plan priorities and show the associated resource projections and gaps that will need to be addressed through government grants, funding bids, financing strategies and/or public private partnerships (PPPs).

3.12 The MTFS sets out the resource projections for the period including taxation revenues. Council Tax levels are a matter for local decision and may therefore vary throughout the MTFS period.

3.13 For the purposes of projecting revenue resources, the MTFS therefore assumes the highest level of resources available from Council Tax each year without triggering a referendum.

3.14 The MTFS is draft at this time as local authorities are awaiting the Local Government Financial Settlement which may alter some of the resource projections for future years.

3.15 There are also new capital schemes proposed in the Targeted Budget Management (TBM) Month 7 report elsewhere on this agenda that are not currently reflected in the draft MTFS. These will be incorporated, along with any further new schemes, in the final version.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The Corporate Plan is part of the council's policy framework. Based on previous plans the intention for 2015-19 is to provide a more concise plan with a clearer

focus on the council's purpose & ambition and service modernisation and prioritisation to meet the challenges ahead.

4.2 This is directly aligned to city principles and priorities agreed in the Sustainable community strategy. Specific options for areas of investment identified in the plan will be developed, with partners and city partnerships, to ensure the best use of overall community, public and private sector resources in the city.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 The Corporate Plan and Medium Term Financial Strategy are presented together in draft so that committee is consulted at an earlier stage in their joint development, along with 2015/16 budget proposals. Consultation on the budget and any subsequent changes to budget proposals will influence investment areas identified in the plan.

6. CONCLUSION

6.1 Policy & Resources Committee are recommended to approve the draft Corporate Plan 2015-19 and Medium Term Financial Strategy, which will be brought to Policy & Resources Committee and Full Council in March 2015, once the budget for 2015/16 is agreed.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The draft Corporate Plan 2015-19 and Medium Term Financial Strategy set the context within which the budget setting process for 2015/16 has been undertaken. The draft investment plans are therefore reflected in the 2015/16 budget proposals and draft Medium Term Financial Strategy to ensure that spending priorities are aligned with the plan. Monitoring progress against performance measures is a key element of the Performance and Risk Management Framework; any financial risks or resource requirements identified as a result will be considered in budget monitoring and in developing future years' budgets.

Finance Officer Consulted: Nigel Manvell Date: 06/11/14

Legal Implications:

7.2 Policy & Resources Committee has responsibility for formulating the Corporate Plan, whereas formal approval of the final version is a matter reserved to full Council.

7.3 Policy & Resources Committee has authority to agree the Medium Term Financial Strategy.

Lawyer Consulted: Oliver Dixon Date: 11/11/14

Equalities Implications:

7.4 Equalities implications are described in the plan under the principle of Increasing equality. Areas of investment identified in the plan, as well as consideration of tough decisions ahead, will be subject to Equalities Impact Assessments as subsequent budget proposals are brought forward during the course of the plan.

Sustainability Implications:

7.5 Sustainability implications are described in the plan under the priority Environmental Sustainability.

Any Other Significant Implications:

Crime and Disorder Implications

7.6 Crime and disorder implications are described in the plan under the priority *Community Safety & Resilience*.

Risk and Opportunity Management Implications

7.7 Progress against the plan will be monitored through the council's Performance and Risk Management Framework.

Public Health Implications

7.8 Public health implications are described in the plan under the priority *Health & Wellbeing*.

Corporate / Citywide Implications

7.9 The Corporate Plans sets out the overall vision, purpose & ambition, principle and priorities for the council which are aligned directly to the city's Sustainable Community Strategy.

SUPPORTING DOCUMENTATION

Appendices:

1. 'The way ahead', draft Brighton & Hove City Council Corporate Plan 2015-19

2. Brighton & Hove City Council draft Medium Term Financial Strategy

Documents in Members' Rooms

1.

Background Documents

1. Brighton & Hove – the Connected City (the Sustainable community strategy for Brighton & Hove)

Brighton & Hove City Council

The way ahead

Corporate Plan 2015-2019

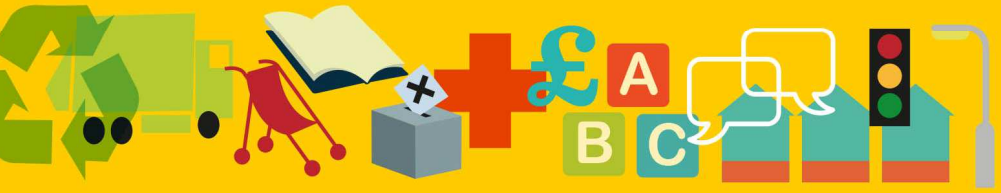












Brighton & Hove City Council

The council's vision is the city's vision

Brighton & Hove – the connected city. Creative, dynamic, inclusive and caring. A fantastic place to live, work and visit.

Vision of Brighton & Hove Connected and Brighton & Hove City Council

We have adopted the city's partnership vision, principles and priorities for the council's own Corporate Plan. Along with our own purpose & ambition we use these to help us plan, budget, deliver and review our services and to drive the way ahead for the organisation.

Our purpose & ambition

Strong civic leadership
Value for money
Quality public services
Protect the vulnerable

Our principles

Increasing equality
Improving engagement

Our priorities

Economy & housing
Children & young people
Health & wellbeing
Community safety & resilience
Environmental sustainability

For full information about the city's partnerships visit www.bhconnected.org.uk/

Cover image of Trans Pride march courtesy of Sharon Kilgannon



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A message from the leader & chief executive

Welcome,

Our 2015-19 Corporate Plan explains the way ahead for the council at a time when local government nationally is going through enormous change. We must not only meet our extreme financial challenges but also the needs of our residents and the city as a whole, tackling inequality within communities and protecting our environment.

We know the city has fared better than some through the recession but there is no room for complacency. The cost of living in the city is still difficult for many and council services are under pressure as demand increases and our funding reduces by an estimated £104 million over the next four years. Without action, rising costs in social care alone, clearly some of our most vital work, mean that we along with other councils will face serious financial risk.

The relationship between the council, partners, providers and citizens has got to alter radically if services are to continue to be delivered. The council is going to become a smaller organisation with the emphasis on our purpose – strong civic leadership, value for money, quality services and protecting the most vulnerable. We cannot do this alone – our partners and citizens must be at the centre of everything we do.

Tough choices have to be made about what the council can and cannot deliver and who is best placed to provide services. We will work in ways that engage and empower residents to take greater control of their own lives, getting the maximum benefit of the resources that are available to the community and public sector. We must work in collaboration with communities to design and even help deliver services.

We need to make the most of rapidly advancing opportunities to connect, engage and enable online and in person. Digital capability and accessibility will be a big part of future council service delivery, allowing the council to meet customers' needs in more convenient and personalised ways.

At the heart of all of this are our staff. Change is hard and we recognise that. Our people work incredibly hard for services they believe in at a time when funding is difficult. We have done as much as we can in terms of doing more for less – staying as we are is not an option. We need to look for opportunities with our staff to work differently, with ambition to meet residents' needs and assure safety for the most vulnerable.

We have begun an open discussion with staff and the city through our Stop, Start, Change campaign and these conversations will influence our budget setting process and decisions far beyond.



The council is an important part of life in this city – we have the opportunity and the potential to realise the shared partnership vision of a connected city. We have a unique and democratic duty to represent the best interests of our citizens.

It is why we have adopted the city's vision as our own for our Corporate Plan. We will use our plan, the city's principles and priorities with our own purpose & ambition, to deliver services and review our progress as we follow our way ahead. More detail will follow in our Directorate Plans, published each year.

Most importantly tell us what matters to you, about your ideas for the council's and the city's future.

E-mail policy@brighton-hove.gov.uk
Or phone 01273 293944
Or follow us on Twitter @BrightonHoveCC



Penny Thompson
Chief executive



Councillor Jason Kitcat
Leader of the council

What is the council here for?

The types of challenges faced by the council and the city are driving debates here and across the country about what councils should be doing and how they should be doing it. The dilemma is that councils cannot continue doing everything they have done as public spending comes down, populations grow and costs rise.

The solutions are complex but need to include changing the understood role of the council from that of a direct service provider to that of an enabler, working increasingly collaboratively to empower staff, residents and partners to deliver better outcomes for the city in new and more sustainable ways.

We believe that through the breadth and complexity of all that we do, statutory or otherwise, the basic purpose of the council is to provide four important things for citizens and the city, which must shape our ambition for the way ahead.

Our purpose & ambition

Strong civic leadership
A council that is governed well and delivers strong civic leadership, working with others to drive a sustainable future for the city and all of its citizens.

Value for money
A council that makes the best use of limited public resources, ensuring that services represent good value for council tax payers and protect our financial future.



Protect the vulnerable
A council which safeguards the most vulnerable children and adults, providing help earlier to prevent the need for intensive and costly support later.

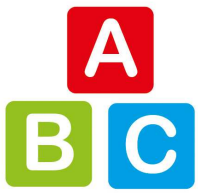
Quality public services
A council that understands communities and ensures the right services are provided well, managing rising demand and putting citizens at the heart of delivery.



Spending on services

Current spending

In 2014/15 £2.1 million was spent every day on council services. The amounts below include additional funding and earned income which is generated specifically to help fund services.



£520,000
Education



£20,000
Leisure, Parks & Open Spaces



£170,000
Housing



£140,000
Children's Social Care



£310,000
Adult Social Care



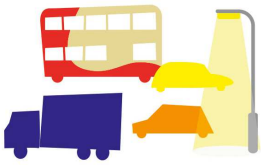
£460,000
Housing Benefit



£60,000
Libraries, Museums Tourism & Culture*



£20,000
Public Safety



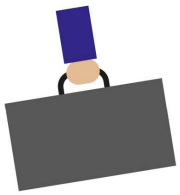
£90,000
Highways and Traffic Management



£70,000
Refuse &Recycling



£50,000
Public Health



£130,000
Capital Investment



£30,000
Planning & Economic Development



£70,000
Frontline Support Services

*Approximately half the spend for Libraries, Museums, Culture & Tourism is generated through earned and other external income.

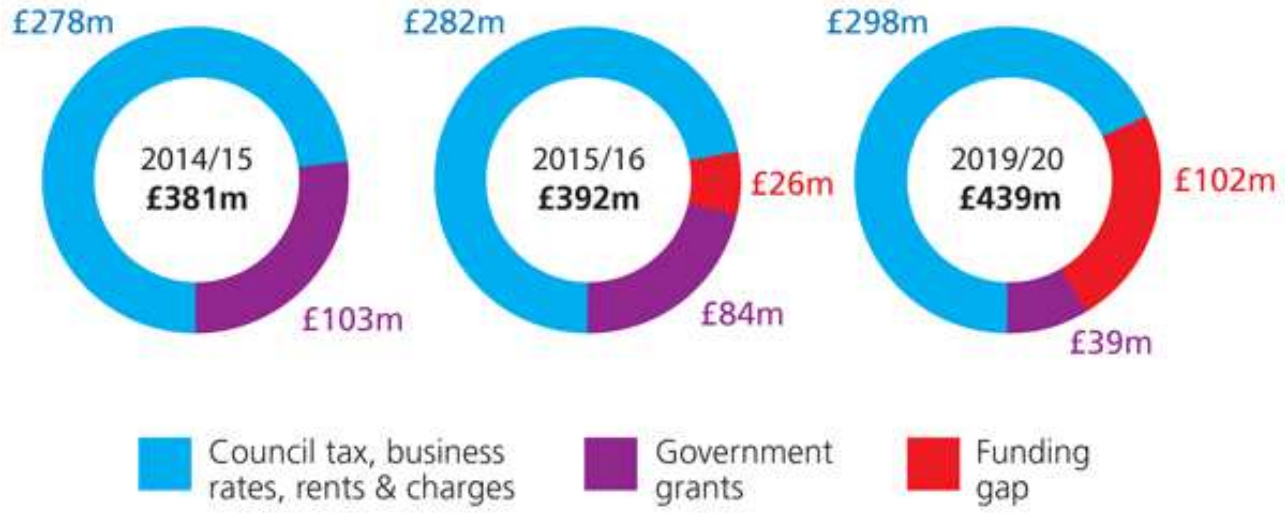


Spending on services (continued)

The budget gap

Of the total budget of £778 million in 2014/15, just over half (51%) is protected, or ring-fenced, to be spent only on education, housing benefit and council housing. Our challenge in 2015/16 and onward is therefore to reduce spending from the remaining half (49% or £392 million), which is funded by council tax, business rates, government grants and fees and charges. This is spent on services like social care for vulnerable children and adults, libraries and transport.

We expect that rising costs and demand for services with reduced funding will result in a budget gap of £102.4 million by 2019/20, assuming there is no increase in council tax. In 2015/16 alone we are losing £18 million of government grant funding, which together with increased costs, leaves a gap of £26.3 million. We have already saved £77.5 million between 2011/12 and 2014/15.



Future spending

Growth in the short term will make a small contribution. We expect council tax payments to increase by about 250 properties a year. Business rates will also grow, but much of this will be from small businesses who pay lower business rates. Fees and charges are expected to increase too. A change in central government in 2015 would be unlikely to change the scale of the funding reductions. Therefore savings have to be met by significantly reducing current spend on services.

In the longer term our approach will be to transform how we operate as a council to improve outcomes for citizens and reduce our overall costs, leading partners in efforts to get people into employment as a route to improved health, family stability and reduce need for social care. Our approach fits with the government's intention that as a council and city we become financially more self-sufficient through growth, community involvement and increased social action.



Modernising the council

If we are to help realise the city's vision, deliver our own purpose & ambition and meet the budget challenge then we have to modernise what we are and how we work, collaborating with and empowering our staff, partners, communities and citizens alike.

Modernisation boards are focusing projects and programmes across the council to drive change and improvement in key areas. Though the budget situation is tough, prioiritised investment is the only way to deliver services in ways that people can continue to access and reduce dependency on some of our most expensive services.

Strong civic leadership

A council that is governed well and delivers strong civic leadership, working with others to drive a sustainable future for the city and all of its citizens.

This means:

1. Upholding our democratic principles through our constitution, ensuring we represent and reflect communities who elect councillors and pay for council services.
2. Demonstrating our civic leadership through partnership forums, such as Brighton & Hove Connected and the City Management Board locally and Key Cities nationally.
3. Driving an organisational culture based on our shared values, where performance of self, others and services is well managed.
4. Strengthening our partnership delivery arrangements and building collaborative, trustful and empowering relationships between the council and citizens.
5. Establishing Brighton & Hove and the Greater Brighton region's profile as a UK economic and skills leader and visitor destination.
6. Supporting the delivery of our One Planet Living sustainability approach within the council and across the city.

Value for money

A council that makes the best use of limited public resources, ensuring that services represent good value for council tax payers and protect our financial future.

This means:

1. Continuing our value for money programme to reduce service costs in key areas.
2. Using our assets, property and land to the best financial effect, supporting collaboration in future service delivery and enabling investment and regeneration in the city.
3. Reviewing our model of central services provision within the council to ensure it can support modernisation across the whole organisation.



Modernising the council (continued)

4. Leading progress with partners on future funding relationships between local public services, capitalising on growth and opportunities in the wider economy.
5. Learning by comparing our services with other councils and providers, and from best practice elsewhere.

Quality public services

A council that understands communities and ensures the right services are provided well, managing rising demand and putting staff, partners and citizens at the heart of delivery.

This means:

1. Knowing what drives demand for services by engaging with our diverse communities and understanding how effective our services are in meeting citizen's needs.
2. Altering behaviours, making interaction between citizens and the council more straightforward with a business strategy for a digital age.
3. Building more collaborative relationships between citizens and the council to empower people to do some things for themselves in partnership with us.
4. Changing the way we invest in services to provide earlier, preventive support to more vulnerable people and families reducing complex problems before they arise.
5. Using the Stop, Start, Change work we have begun to radically redesign and change how services are delivered that put citizens at their heart and improve outcomes for communities and the city.

Protect the vulnerable

A council which safeguards its most vulnerable children and adults, providing help earlier to prevent the need for intensive and costly support later.

This means:

1. Reducing the numbers of children and young people receiving intensive and costly social care interventions, supporting families earlier to take care of themselves.
2. Keeping vulnerable adults with complex needs safe with the right support to improve their own circumstances and live independently.
3. Helping older people to remain independent and involved in society, with personalised care plans and family support that reduces dependency on long term care.



A high performing workforce

The scale of reductions in funding mean that our future council will be smaller in terms of the number of people we employ and we will not directly deliver all the services we do now. We must build capacity for working better in partnership across public services and the community and voluntary sector, transforming our relationship with citizens. Our future workforce will need the skills to provide public services in different ways, working with new models of delivery and in greater collaboration with communities.

The pace of change necessary to modernise services requires the workforce to be flexible and to respond positively to change, in a way that demonstrates the organisation's values and promotes a culture that improves performance and value for money. We will develop our workforce to be able to make a full contribution in a changing and dynamic environment, whilst continuing to ensure the quality of our services during our process of modernsiation.

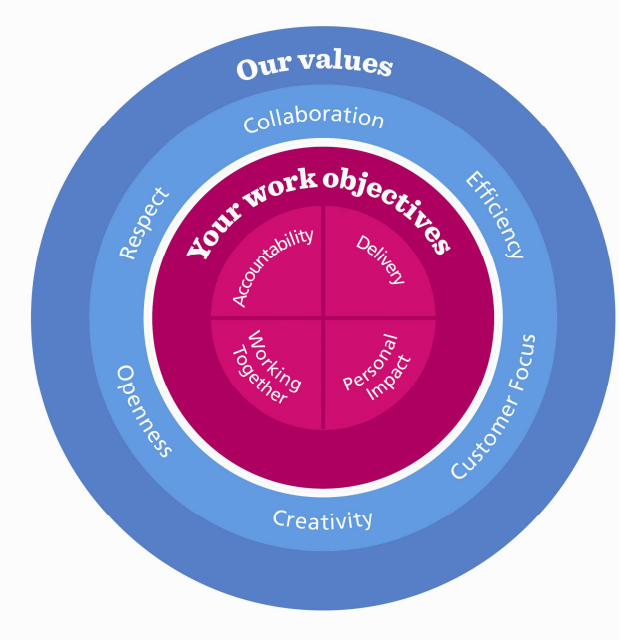
Living our values, every day

Our values form the basis for work objectives and performance conversations across the council and describe the professional behaviour that is driving our modernisation programme.

Collaboration
Work together and contribute to the creation of helpful and successful teams and partnerships across the council and beyond.

Respect
Embrace diversity with kindness and consideration, and recognise the value of everyone.

Openness
Share and communicate with honesty about our service and ourselves, whenever appropriate. Accept where we have to change in order to improve.



Efficiency
Work in a way that makes the best and most sustainable use of our resources, always looking at alternative ways of doing things.

Customer focus
Adopt our Customer Promise for colleagues, partners, members and customers:
"We will be easy to reach, be clear and treat you with respect, listen and act to get things done"

Creativity
Have ideas that challenge the 'tried and tested', use evidence of what works, listen to feedback and come up with different solutions.

Foundations for the future

Recent activity and achievements demonstrate our foundations for the way ahead.



Tour of Britain cycle race

Increased our international sporting offer, bringing £1.3 million into the city's economy



Trans equalities work

Award winning activity to raise awareness of Trans issues and promote Trans equality



Soundcity

Lead organisations for music in the city working together, with our Music & Arts service as lead partner



Sustainable transport

Civitas Transport City of the Year for initiatives to promote clean transport, including personal travel planning



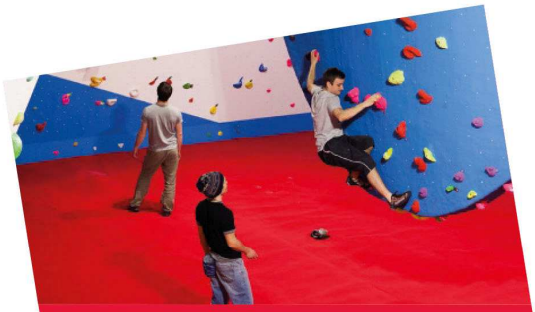
The i360

Work begun to build the i360 with a loan secured by the council that will return future income for services



Money Works

A new platform to reduce financial exclusion and promote sound financial help for residents



Withdean Sports Complex

State of the art sports and climbing facilities with £2.7 million partnership investment



Greater Brighton City Deal

Secured government investment in the city region, unlocking 8,500 jobs and £173 million for a network of growth centres



Hove Junior School, Holland Road Site

Secured and redeveloped a former police station for new junior school places in an area with high demand



Healthwalks

Queens Award for Volunteering as a route to good health and wellbeing and co-providing public services



Same sex weddings

First same sex wedding publicised to promote the city and council as progressive and equal



UN Brighton & Lewes Downs Biosphere

UN recognition and designation of our unique environment, connecting people with nature

Increasing equality

What do we want to achieve?

A more equal city, where everyone is able to benefit from the city's prosperity.

This means:

1. Closing the gap in prospects between different communities, ensuring people are not disadvantaged because of where they live or their personal circumstances.
2. Ensuring people are not discriminated against because of their identity, such as their gender, race, sexual orientation, disability or religion or belief.
3. Understanding our growing and diversifying population, changing our engagement and our services accordingly.
4. Coordinating different council services with other public services better to tackle inequality and protect the most vulnerable in society.
5. Promoting good relations between communities and diverse groups as a civic leader, a provider of services and as an employer.

How are we doing?

Evidence gives an overview of what inequality looks like in the city and how the local population is growing and diversifying.

Inequality
Life expectancy is in line with the national average, with more people living longer, but reduces by up to nine years between the most and least deprived communities on the city.
One in five children and young people live in poverty, rising to one in two in the most deprived areas.
Almost three quarters of households cannot afford market housing (either to buy or rent) without some form of subsidy or spending a disproportionate level of their income on housing costs
Though inequality is most common in more deprived communities there are pockets of inequality across the city.
There's been a rapid increase in food banks in the city from two to 12 over an 18 month period. Around one in eight households are thought to experience fuel poverty



Diversity

The city's population is growing and now stands at 278,100. It is expected to increase to 289,600 by 2019 and to 300,400 by 2025.

Black and Minority Ethnic communities made up 12 per cent of all residents in 2001. By 2011 they accounted for 20 per cent or 53,351 residents.

A high proportion of residents are Lesbian, Gay or Bisexual; we had the highest number of people in same-sex civil partnerships nationally in 2011.

Sixteen per cent of residents report that they are disabled or have a long term health problem that limits their day-to-day activities to some degree.

A very high proportion of residents, 42 per cent, have no religion compared with 25 per cent in England as whole.

How do we plan to invest?

- Coordinate services and spending better between public services to improve equality, for example through the Health & Wellbeing Board and the Local Housing Investment Plan.
- Meet our statutory equalities obligations and use information about our changing population better to review, plan and deliver services.
- Pay our employees the Living Wage, continuing our work around council contracts, and support the city wide campaign.
- Tackle financial exclusion through coordinated support across the council and through our community and voluntary sector partnership with Money Works.
- Use council resources flexibly to respond as best we can to national changes in welfare provision for some of our most vulnerable citizens and families.
- Continue our work to create a better understanding of the needs of Trans, Black and Minority Ethnic and disabled communities and use it to tailor service provision.
- Invest in early intervention and prevention for vulnerable families to ensure better long term outcomes and reduce the cost of expensive interventions once families reach crisis.
- Maintain a combined approach to sustainability for the city which includes protecting the health and wellbeing of people and communities as well as the environment.
- Improve our engagement with communities of interest and identity to improve good relations across the city, and tackle discrimination and prejudice.

Tough choices ahead

Reductions in spending have the potential to disproportionately affect some groups more than others. We must use Equality Impact Assessments as we set our annual budget to carefully assess the impact of changes to services on protected groups. This will enable us not only to bring forward proposals that have the least impact but also that enable us to work differently with partners and communities to mitigate impacts wherever possible.



Improving engagement

What do we want to achieve?

A city that people take pride in, where citizens, communities and businesses can get involved and take action to address things that matter to them.

This means:

1. Engaging residents and business in council and partnership decision making, increasing participation by children and young people.
2. Moving beyond council engagement as a transactional approach to more collaborative and empowering relationships with our diverse communities.
3. Recognising the role that community and voluntary groups play in engaging our diverse communities and most vulnerable citizens, supporting residents to participate in changes to services.
4. Promoting the social and economic value of volunteers and community groups, creating more volunteering opportunities in the city and supporting more people to volunteer.

How are we doing?

Evidence, such as the City Tracker survey, gives an overview of how local people feel about and are involved in the life of the city and their neighbourhood.

Local involvement
Residents are highly satisfied with the city and their local area.
They feel they belong to their local area, that people from different backgrounds get on well together and that people pull together to improve their neighbourhoods.
Residents report a high level of civic participation. They think it's important that they can influence decisions that affect their local area and higher than average proportions think they can.
Around one in seven adults report being involved with groups that makes decisions within their local community and around a third of residents volunteer their time on a formal basis, whilst others do so informally.



How do we plan to invest?

- Modernising democratic process for politicians and participants, reviewing meeting arrangements, councillor allowances and childcare.
- Implementing the results of our Neighbourhood Council pilots to engage people better in local decision making and with services.
- Creating a more business-like footing with the community and voluntary sector through better, more coordinated commissioning by the council.
- Creating genuinely engaging and collaborative approaches with citizens for all service design and delivery.
- Engaging people through coordinated consultation and research activity, using results to shape future service provision.

Tough choices ahead

Many funding and commissioning streams accessed and delivered by the community and voluntary sector are changing, reducing or indeed stopping as result of budget reductions. These changes provide opportunities for the council to work differently with the sector, for example on new approaches to managing demand and improving citizen empowerment.

The changes will however also have significant implications on the resources available to support the community and voluntary sector, which will in turn impact on its future shape and capacity within the city. The council, in partnership with other public sector providers, will need to support th sector in responding to these challenges so it is able to become more sustainable and better aligned to the changing requirements of public services.

Economy & housing

What do we want to achieve?

A strong, sustainable economy that creates employment opportunity along with decent, affordable housing, putting the health of our natural environment and communities at its heart.

This means:

1. Working with our city region partners to build sustainable growth and investment, increasing economic resilience and generating more, better paid jobs.
2. Improving local educational attainment and local access to skills training so that everyone can benefit from economic prosperity.
3. Bringing about quality development to enable sustainable growth, addressing the need for better business space, affordable homes and student accommodation across the city region.
4. Creating investment in existing and new housing stock that supports residents and families to live independently in decent accommodation.
5. Supporting investment in different means of transport that provide access to jobs and housing, making journeys safe and reducing the impact on the environment.
6. Increasing investment in digital communication infrastructure in the city to support sustainable business growth and reduce the need to travel.
7. Use our UN Biosphere Reserve status to promote the city and city region for its unique natural environments, making our eco-tourism offer part of sustainable growth.

How are we doing?

Evidence tells us how we are doing and where we could focus effort to improve things. The following gives an overview for this priority.

The city has sustained a strong and growing business base with very high business start-ups.
The majority of businesses are smaller businesses and a high number who are self-employed.
Private sector employment has grown and unemployment is low. But a higher percentage of people claim out of work benefits and our wage levels are low compared to averages.
The housing market is strong and property values are rising, but we have a higher rate of housing need. Housing is unaffordable for the majority of residents, supply is restricted and a high proportion of households are in private rented accommodation, much of which is poor quality.
The city is a regional transport hub with good road and rail links. But there is growing pressure on transport, parking and city infrastructure with a growing population and number of visitors.



Over eleven million visitors each year brings around £800 million to the local economy.

Our unique arts and culture offer, including the Brighton Pavilion, Dome, Festival and Fringe attract residents and visitors. A high proportion of residents use our libraries.

How do we plan to invest?

- Create future job and business growth through joint investment in the city, accessing new funding via the Greater Brighton Economic Board, Coast to Capital (Local Enterprise Partnership) and EU funding.
- Bring forward plans for key development sites, such as Preston Barracks, Circus Street Market and New England House, linked to job growth and skills.
- Draw in new partnership investment to develop the Royal Pavilion Estate sustaining this unique site's importance as the heart of the city's cultural offer.
- Maintain a quality built environment through a modern planning service to enable growth and promote social health and wellbeing.
- Enable development of new, affordable homes, including new council homes, working with government, registered providers and other partners to maximize investment.
- Improve major transport routes, such as Valley Gardens and the completion of Brighton Station Gateway.
- Improve transport infrastructure sustainability through the Local Transport Plan and EU funding.
- Regenerate the seafront to preserve the city's reputation and visitor economy, through key sites including the i360, Brighton Centre, Black Rock and King Alfred Leisure Centre.
- Draw in external investment for our downland estate and city parks and open spaces, including developing Stanmer Park as a gateway from city into the South Downs.

Tough choices ahead

The city is sustaining growth and optimism in its economy with sizeable investment and commitments secured from the government, with the possibility for further devolution if we continue to plan and work together with other councils and partners across the Greater Brighton city region.

The council is already committed to long term investment to renew and strengthen the infrastructure of the city, which is particularly evident on the seafront. If the city is to achieve its economic potential over the next decade the council will need to work with private investors to secure joint funding. In a challenging financial context for public services as a whole it does mean choosing to commit public capital and revenue resources to improve the infrastructure of the city.

Fortunately there are helpful income incentives to do this, including increased business rate and council tax returns and income from council land and property assets. Strong civic leadership by the council to enable publicly acceptable investment and change which is clear on the benefit for local people and wider public services will be essential for a healthy social and economic future.



Children & young people

What do we want to achieve?

All children and young people have the best possible start in life, growing up happy, healthy and safe with the opportunity to reach their potential.

This means:

1. Providing high quality education that creates skills for work.
2. Keeping children and young people safe, at home and in learning and social environments.
3. Helping children and young people access to appropriate social and cultural opportunities to become active and responsible citizens.
4. Creating the best opportunities for children and young people in care, fulfilling our role as a council of good corporate parent.

How are we doing?

Evidence tells us how we are doing and where we could focus effort to improve things. The following gives an overview for this priority.

Over three quarters of our schools are judged good or excellent by OFSTED.
Achievement in primary schools is above the national average.
Achievement in secondary schools across the city is below what we would expect and what we need to prepare young people for further education and employment.
Attainment for pupils receiving Free School Meals, in care, with Special Educational Needs and from some Black and Minority Ethnic groups is worse than for their peers.
Attainment at 19 is in line with the average, as is the number of 16-18 year olds not in employment, education or training.
We are performing well in supporting two year olds from low income families to take up their free childcare places.
Over two-thirds of two to two and a half year olds received a health visiting review, which is slightly higher than the national average though below our own target.
The majority of children's health and wellbeing is good, and rates of reported bullying low. But there are high rates of children in need, in care and with child protection plans.
Our Stronger Families programme, working with vulnerable families, is exceeding its targets.



How do we plan to invest?

- Plan and deliver sufficient school places, with a focus on secondary places.
- Improvement in secondary attainment, linked to skills for the workplace and the developing city economy, closing the gap in attainment for vulnerable students.
- Early help advice and support for public agencies on child protection issues, including schools.
- Embed and further improve our multi-agency response for safeguarding, to reduce the rate of re-referrals below the national average.
- Review support for disabled children and young people, ensuring value for money services.
- Review services to promote better outcomes for young people.
- Coordinated, early help for young people and vulnerable adults at risk of homelessness.

Tough choices ahead

Services for children and young people account for a large part of the council's budget. Money received for education is protected, or ringfenced. Money spent on social care is part of the wider budget. We have prioritised spending on vulnerable children and young people to keep them safe, but costs are rising and it is not sustainable to continue spending as much as we do.

We are working to spend money on social care better, supporting families (and agencies who work with them) earlier so that they do not reach crisis point. This is better for families and in turn reduces our long term costs. But this alone will not be enough to reduce the council's budget gap. Therefore, over the next four years we must work to empower communities to be able to do things for themselves rather than simply managing a reduction in funding for discretionary service areas.



Health & wellbeing

What do we want to achieve?

Healthy citizens and communities, who are active and included in society.

This means:

1. Promoting healthy choices and lifestyles to keep people well and prevent long term health conditions.
2. Safeguarding our most vulnerable children and adults.
3. Ensuring better care services for older and vulnerable people, focused on personal choice and staying independent.
4. Ensuring the city's housing stock is of a good quality and well managed to support residents' independence, health and wellbeing.
5. Creating a 'lifetime city' for all ages, young and old, that is inclusive, accessible and promotes active lifestyles for everyone.
6. Promoting leisure and active travel as part of good physical and mental health, making the most of the city's unique cultural and natural attractions.

How are we doing?

Evidence tells us how we are doing and where we could focus effort to improve things. The following gives an overview for this priority.

There are high levels of tobacco, alcohol and drug misuse in the city, but the rate of alcohol related hospital admissions has been declining since 2012.
There are higher rates of common sexually transmitted infections.
There has been a reduction in the proportion of older people in the population, but a rise in the number of adults with complex needs.
The city compares well on the number of residents who are a healthy weight., but obesity (with associated illnesses) is predicted to be the biggest public health challenge for the future.
The majority of residents have reported medium or high satisfaction with life. But there are high numbers of people with mental health needs and people at increased risk of mental health issues.
Over three quarters of our social care clients receive personal budgets compared to half among similar local authorities.
There has been an increase in delayed transfers of care, where a person who is ready to return home or transfer to another form of care still occupies a bed, though this is the same nationally.
A lower rate of adults, aged 65 or more, have been permanently admitted to residential and nursing care homes compared to similar local authorities.



Almost half of carers received assessments and services or advice and information in 2013/14, which is significantly better than other similar local authorities.

100% of the council's housing stock has been brought up to Decent Homes standard, but one third of the city's housing stock remains non-decent and is in the private sector.

How do we plan to invest?

- A coordinated approach to health and wellbeing priorities across council and partner activity, managed through the new and developing Health & Well Being Board.
- Improve the health of the population and reduce costs of long term health conditions by ensuring effective programmes for obesity, smoking, drugs and alcohol and sexual health.
- Personalised approaches for adult social care to promote greater independence and meet new assessment requirements brought about by new national care legislation.
- Offer better advocacy, information and advice for clients and informal carers.
- Supported housing to promote independence and reduce the need for acute and residential care services.
- Improve health and social care outcomes for people experiencing homelessness, as part of our Better Care programme.
- Review support for disabled adults and children, ensuring effective and value for money services.
- Use community buildings, such as libraries, to promote health and wellbeing and co-locate facilities and services.
- Citywide cultural and leisure activity that promotes better mental and physical health and inclusive communities, with a focus on places where health inequality is more common.

Tough choices ahead

People in the city are living longer which is good news but public services are dealing with increasing numbers of people with complex health needs. In addition massive changes are underway nationally to the social care system, creating new duties for the council in relation to people who fund their own care and informal carers. Our estimate is that there are about 2,000 people in the city who fund their own eligible care needs and who may now seek assessment and financial support from the council.

To meet this increased demand, our statutory duties and provide better outcomes for local people requires radically new and innovative approaches to the commissioning and delivery of care services. This can only be achieved by working in partnership with other public bodies, local communities and the private and community and voluntary sector. The Better Care programme will allow us to provide better health for people that avoids hospital or care home admissions.



Community safety & resilience

What do we want to achieve?

To be known as a tolerant and cohesive city, which is increasingly safe from crime and disorder.

This means:

1. Working with and empowering communities to prevent crime and disorder, including discrimination, hate crime, anti-social behavior and domestic and sexual violence.
2. Reducing risk and harm for those who are subjected to crime and disorder and working to address the risk factors and behaviours of perpetrators.
3. Protecting communities and victims, promoting good relations between communities and diverse groups.
4. Maintaining physically safe and inclusive neighbourhoods that encourage community activity and social action, making the most of our open spaces and ensuring road safety.

How are we doing?

Evidence tells us how we are doing and where we could focus effort to improve things. The following gives an overview for this priority.

The city compares relatively well in terms of the number of crimes, but the city centre, with high concentrations of retail outlets, is a geographical focus for crime.
There has been a decrease in recorded violence against the person and a reduction in anti-social behaviour crimes, but under-reporting by vulnerable or marginalised groups remains an issue.
Feelings of safety are comparatively high, but people do tend to feel less safe in the city centre than their local areas, especially after dark.
There has been a small rise in hate crimes, although this may be linked to better recording.
The number of first time entrants to the youth justice system has reduced, but there has been an increase in reoffending rates for some young offenders.
With partners we have successfully implemented the integrated offender management model, which dramatically reduced reconviction rates.



How do we plan to invest?

- Build on our mature Safe in the City Partnership approach between council, police, health, community and voluntary sector organisations and businesses.
- Develop our work with communities, such as Local Action Teams, community forums and volunteering.
- Deliver effective programmes with partners to address hate crime, domestic and sexual violence and anti-social behaviour, and support for those who have been affected.
- Continue to manage effective prevention through a range of different services, such as licensing and public protection, as part of our joined up health and wellbeing approach.
- Review options for further discretionary licensing of private rented homes, including Houses in Multiple Occupation, where evidence supports this will address poor standards or anti-social behavior.
- Keep children and young people safe, for example through our Local Safeguarding Children Board, and provide support to reduce their chances of becoming offenders or reoffending.
- Offer cultural and leisure activities for the city that promote community cohesion and understanding.
- Use our buildings and services in community settings, such as libraries, to foster positive relationships with public services and between different communities.

Tough choices ahead

Community safety and resilience is funded and directly supported through effective and mature partnership arrangements. As pressure on public spending and resources becomes more severe for all agencies we have to reconsider what our agreed priorities are and what collectively we are able to fund and support, for example in terms of neighbourhood priorities such as criminal damage and protecting vulnerable groups such victims of hate crime.

As tough choices are made about the future of services we must work even more closely with public services, businesses and communities, involving them in service design and encouraging joint responsibility for of community safety and resilience and the general quality of and care for local environments.



Environmental sustainability

What do we want to achieve?

Natural and built environments that together protect the health of people, biodiversity and planet.

This means:

1. Promoting the city and city region as a world class destination for its environmental offer, using our UN Biosphere status to connect people with nature.
2. Maximising the environmental, social and economic benefit of our proximity to the South Downs National Park.
3. Promoting and delivering a broader understanding of sustainability for the city and public services that aims to protect the future of the environment and communities together.
4. Improving home energy efficiency, reducing the carbon impact of the city's housing stock.
5. Regenerating our seafront, bringing forward investment to deliver key development sites and protect and renew infrastructure.

How are we doing?

Evidence tells us how we are doing and where we could focus effort to improve things. The following gives an overview for this priority.

We have responded to extreme weather events in partnership with other agencies, demonstrating good leadership within communities.
Our climate is set to continue to change and we need to prepare for further severe weather events, as well as taking steps to reduce climate change.
Air quality monitoring suggests there has been a long term improvement in air quality across the city, but has not improved in the same way in the high density and traffic-heavy city centre.
The city benefits from various world-class environments, formally recognised by UN recognition of the Brighton & Lewes Downs Biosphere.
The volume of waste generated per household is high and recycling rates low compared to the average.



How do we plan to invest?

- Promote and preserve our Brighton & Lewes Downs Biosphere, using it as a focus to celebrate and protect the quality of biodiversity in the city region.
- Work in partnership with the South Downs National Park authority to promote and protect the park and ensure that citizens and the local economy benefit from it.
- Draw in external investment for our downland estate and city parks and open spaces, including developing Stanmer Park as a gateway from city into South Downs.
- Continue the implementation of our One Planet Living Action Plan to achieve greater sustainability for the council and the city together.
- Sustainably manage waste from homes, businesses and development, reducing waste and improving recycling rates.
- Continue to promote high quality sustainable development and building standards through planning policy and the City Plan.
- Develop opportunities with partners to improve the quality and energy efficiency of the city's housing stock.
- Provide access to sustainable travel initiatives and low-emission forms of transport which reduced the need for travel and minimise the impact of transport on the environment, including major plans for Valley Gardens in the heart of the city.
- Increase energy efficiency measures for the council, including carbon reduction across services and renewable energy schemes for our own land and property.
- Bring forward private investment to deliver key development sites that will protect and renew our seafront, such as the i360.

Tough choices ahead

Our city's origins and historic success are founded on the environment, the sea and South Downs. We must embrace our natural spaces as the opportunity, rather than the limitation, for sustainable economic growth across the wider city region. We need to create a better understanding of the relationship between our growing and diversifying population, the way we buy and consume goods and food, and our exceptional surroundings.

Though budgets are reducing we must consider the impact of all council operations on the environment and the role of public services more generally in promoting environmental, social and economic health together. As it becomes harder to sustain spending for services that are important to maintain the quality of our environment we must work more collaboratively with communities and businesses to find alternative ways to take collective ownership.

Working in partnership

Partnership working is of increasing importance to the ways in which we can make progress in the city. By combining the knowledge, expertise and resources of all sectors we believe that we can make greater improvements in areas such as delivering sustainable economic, social and physical regeneration and improved public services which meet the needs of residents.

The council is a committed member of the city's partnership arrangements.

Brighton & Hove Connected

Brighton & Hove Connected is Brighton & Hove's Local Strategic Partnership. It is the overarching strategic partnership for the city and provides a single coordinating role from which other partnerships operate. Brighton & Hove Connected brings together the different parts of the public sector, as well as the private, business, community and voluntary sectors so that different initiatives and services support each other and work together.

City Management Board

The City Management Board, the delivery arm of Brighton & Hove Connected, is engaged in strengthening and focusing the totality of public service delivery within Brighton & Hove. The board is made up of the key public service decision makers in the city in order to focus on delivery improvements city-wide. Each board member is accountable to their parent body and to Brighton & Hove Connected.

City partnerships

- Advice Partnership
- Arts & Creative Industries Commission
- City Employment & Skills Steering Group
- City Sustainability Partnership
- Economic Partnership
- Equality & Inclusion Partnership
- Health & Wellbeing Board
- Learning Partnership
- Safe in the City Partnership
- Strategic Housing Partnership
- Transport Partnership

For full information about the city's partnerships visit www.bhconnected.org.uk/



Foundations for the future

Recent activity and achievements demonstrate our foundations for the way ahead.



Brighton Pride

Awarded a five year agreement to Pride CIC to run Brighton Pride ensuring its future safety and sustainability



Adult Social Care

Modernising services with partners focused on personalised care and prevention to improve people's wellbeing and meet new duties



Health & Wellbeing Board

A new, shared approach for commissioning joined up health services between the council and partners



Kingsway arches

Renewed seafront road infrastructure and created an attractive new creative retail quarter



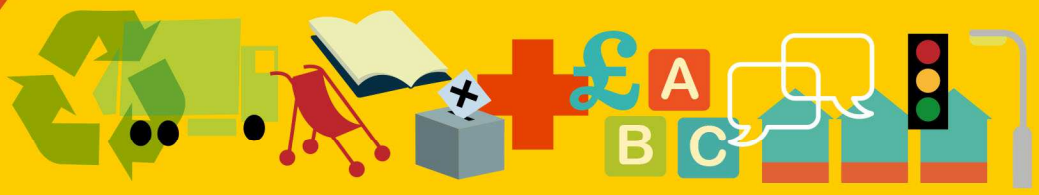
Children's social care

Responding to safeguarding issues earlier and more effectively with partners, to improve wellbeing for children and families



Tourist Information

City Champion volunteers and multiple tourist information points are welcoming visitors to the city



Produced by the Corporate Policy & Research Team,
Brighton & Hove City Council

For further information please e-mail:
policy@brighton-hove.gov.uk
or call 01273 293944

www.brighton-hove.gov.uk

Brighton & Hove City Council

Brighton & Hove City Council

Medium Term Financial Strategy

2015/16 to 2019/20













Brighton & Hove City Council

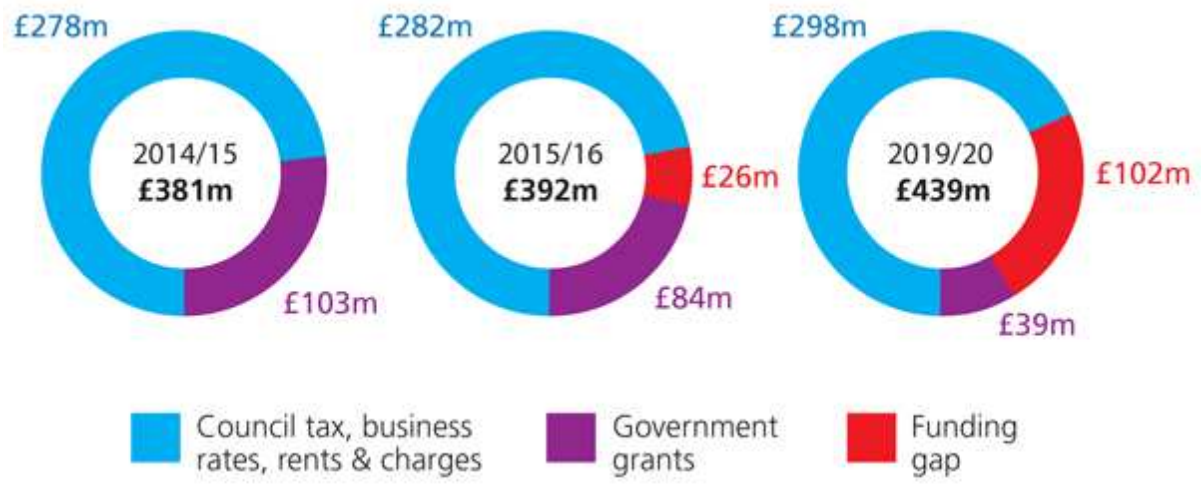
Medium Term Financial Strategy 2015/16 to 2019/20

The Medium Term Financial Strategy (MTFS) covers a 5-year period and sets out key planning assumptions and resources projections over the period together with information about key areas for capital and revenue investment and our financing and treasury management strategies.

The council's total gross budget was £778 million in 2014/15 of which just over half (51%) is ring-fenced and may only be spent on education, housing benefit and council housing. These 3 areas are funded by Dedicated Schools Grant, Housing Benefit Grant and council housing rents and service charges respectively. Funding is ring-fenced in all cases and the planning for these areas is therefore undertaken separately.

The remaining budget is referred to as the General Fund. Our challenge in 2015/16 and beyond is therefore to reduce spending from the remaining 49% (£392 million in 2015/16), which is funded by council tax, business rates, government grants and fees and charges. This is spent on services like social care for vulnerable children and adults, libraries, parks and transport.

We expect that rising costs (inflation) and demand for services alongside reduced central government funding will result in a budget gap of £102.4 million by 2019/20, **starting with the assumption of no increases in council tax**. In 2015/16 alone we will see a reduction of £18 million of government grant funding, which together with increased costs and demands, leaves a gap of £26.3 million. We have already saved £77.5 million between 2011/12 and 2014/15 and therefore finding further efficiencies and savings will become progressively more challenging.



The short term

Growth in the short term will make a small contribution. We expect council tax paying dwellings to increase by about 250 properties a year. Business rates will also grow, but much of this will be from small businesses who pay lower business rates. Fees and charges are expected to increase too. A change in central government in 2015 would be unlikely to change the scale of the funding reductions. Therefore savings have to be met by significantly reducing current spending on services.

The medium to longer term

In the longer term our approach will be to transform how we as a council operate to improve outcomes and reduce our overall costs, leading partners in efforts to get people into employment as a route to improved health, family stability and reduced need for social care. We will also need to become financially more self-sufficient through growth, community involvement and increased social action.

The tables below show the forecasts for net expenditure and future funding streams based on the latest information available. The Chancellor has previously announced that funding for local government will be reduced by the same amount in the next Spending Review as in the current one i.e. approximately 10% per annum on average and this reduction has been built into the forecasts for 2016/17 to 2019/20.

MTFS Assumptions & Projections

Two tables are shown below. The first sets out the core planning assumptions while the second sets out the resulting spending, income, savings and budget gap projections.

Core Planning Assumptions

The table below sets out the core planning assumptions included in the MTFS projections:-

MEDIUM TERM FINANCIAL STRATEGY 2014/15 TO 2019/20 *(Tables may not add due to rounding)*					
Summary of MTFS assumptions	**2015/16**	**2016/17**	**2017/18**	**2018/19**	**2019/20**
Pay inflation and pay related matters:					
- Provision for pay award	1.2%	1.0%	1.0%	1.0%	1.0%
- Provision for pension contributions	0.5%	0.5%	0.5%	0.5%	0.5%
- Provision for changes in national insurance	0.0%	0.8%	0.0%	0.0%	0.0%
General inflation:					
- Inflation on income	2.0%	2.0%	2.0%	2.0%	2.0%
- Inflation on parking income	0.0%	2.0%	2.0%	2.0%	2.0%
- Inflation on penalty charge notices	0.0%	0.0%	0.0%	0.0%	0.0%
Resources:					
Change in Settlement Funding Assessment	-14.2%	-12.0%	-10.6%	-10.7%	-10.8%
Change to Revenue Support Grant (RSG)	-28.3%	-29.5%	-33.7%	-46.8%	-81.3%
Business Rates					
- Business rates poundage inflation uplift	2.3%	2.8%	2.8%	2.8%	2.8%
Change to other specific grants	-24.4%	-13.7%	-17.5%	-10.0%	-10.0%
Public Health grant	0.0%	0.0%	0.0%	0.0%	0.0%
Assumed council tax threshold increase	2.0%	2.0%	2.0%	2.0%	2.0%
Council Tax Base	0.25%	0.25%	0.25%	0.25%	0.25%

Summary of MTFS projections

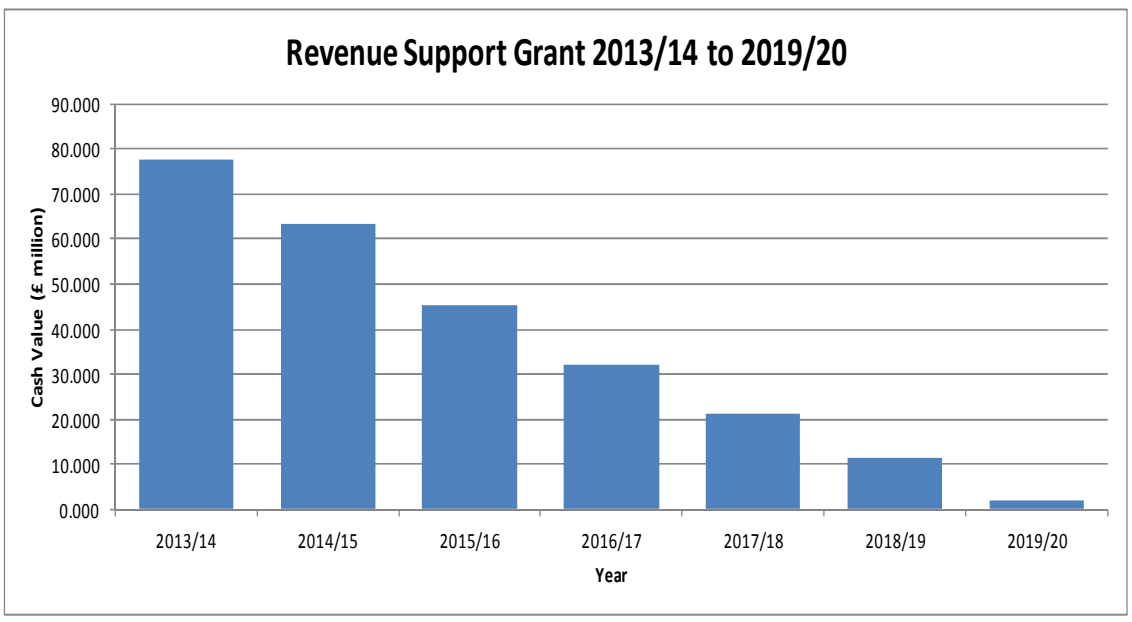
The table below sets out the savings /budget gap taking into account the anticipated expenditure over the MTFS period and the funding resources available:-

Summary of General Fund Budget Projections	**2015/16**	**2016/17**	**2017/18**	**2018/19**	**2019/20**
	£m	**£m**	**£m**	**£m**	**£m**
Sub-total Net Budget Requirement B/Fwd	**225.337**	**212.039**	**202.219**	**193.967**	**188.676**
Pay and Inflation	3.787	4.053	3.825	3.649	3.549
General Risk Provisions	1.000	0.500	0.500	0.500	0.500
Commitments - impact of previous decisions	0.239	-1.166	-0.089	0.335	0.000
Change in S31 Business Rates compensation grants	2.618	-0.018	-0.018	-0.018	-0.018
Change in New Homes Bonus	-1.166	-0.600	0.000	-0.200	0.350
Service pressures - demographic and inflation	5.000	5.000	5.000	5.000	5.000
Service pressures - specific grants	1.150	0.650	0.600	0.500	0.500
Full year effect of savings in previous year	-1.149	0.000	0.000	0.000	0.000
Budget gap (savings required)	-25.451	-19.568	-18.070	-15.057	-14.205
Sub-Total	**211.365**	**200.890**	**193.967**	**188.676**	**184.352**
Change in contribution to / from reserves	0.674	1.329	0.000	0.000	0.000
Budget Requirement C/Fwd	**212.039**	**202.219**	**193.967**	**188.676**	**184.352**
Funded by:					
Revenue Support Grant	45.453	32.050	21.252	11.307	2.118
Top Up Grant	1.649	1.694	1.741	1.789	1.838
Locally retained Business Rates	55.738	56.841	56.867	58.930	61.151
Council Tax	109.199	111.634	114.107	116.650	119.245
Total Funding	**212.039**	**202.219**	**193.967**	**188.676**	**184.352**

Revenue Support Grant Projections

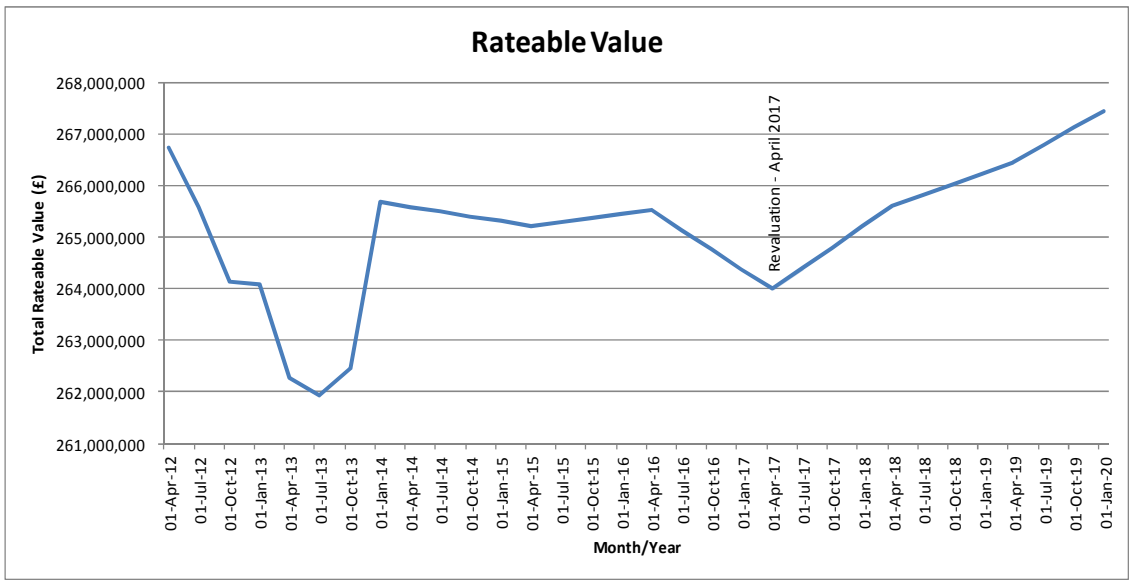
The chart below demonstrates the impact of reductions in central government funding (Revenue Support Grant). It shows how the cash value of Revenue Support Grant from the government falls from 2013/14 to 2019/20 when it will all but disappear.

It is not expected that any change in government after the next General Election would have a significant impact on the national spending on local government. However it is possible that there could be distributional changes that would affect resources at an individual authority level.



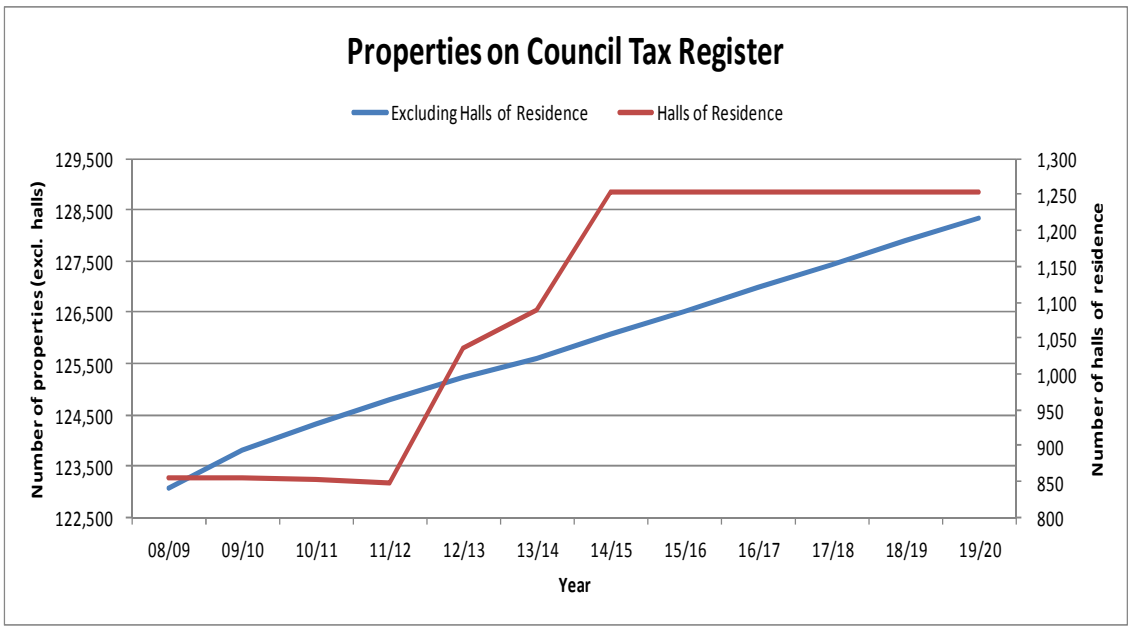
Business Rate Retention Projections

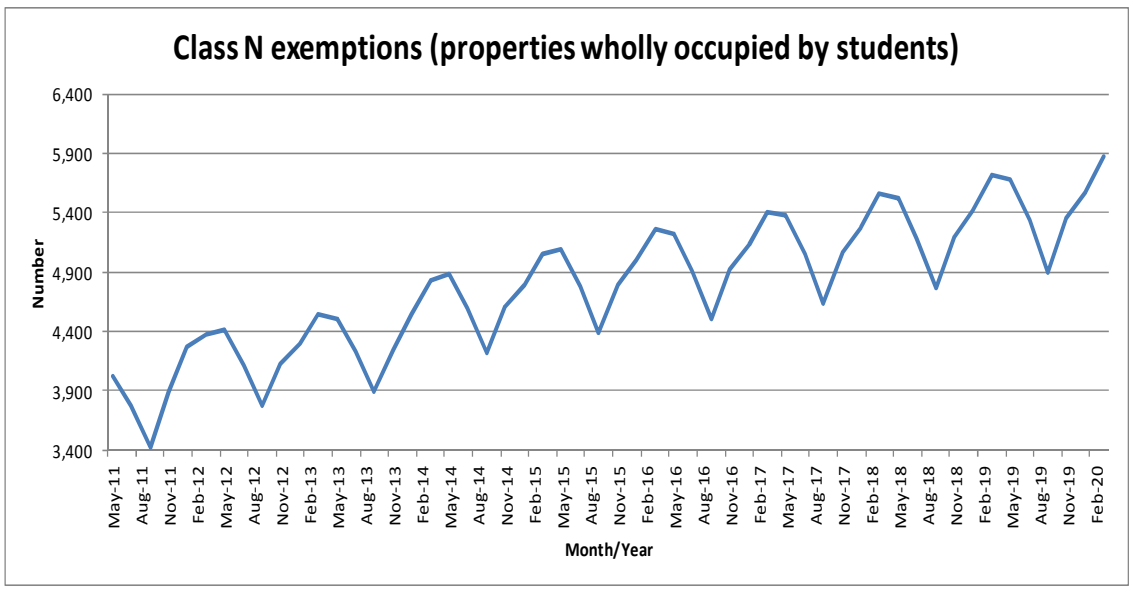
The chart below shows the projected change in the rateable value (RV) of properties liable to pay business rates in the city including the impact of the expected revaluation in 2017 which leads to national resource equalisation rather than local gain. The RV is set by the Valuation Office. The council retains 49% of any increase in the rateable value (excluding changes from revaluation) but has no control over the 'multiplier' applied to each RV (which determines the amount to be paid) which is set nationally by central government. The RV fluctuates as a result of properties coming on and off the system and crucially as a result of the impact of successful appeals by businesses against their RV. The appeals are determined by the Valuation Office and were the major cause of the dip in RV in 2013.



Council Taxbase Projections

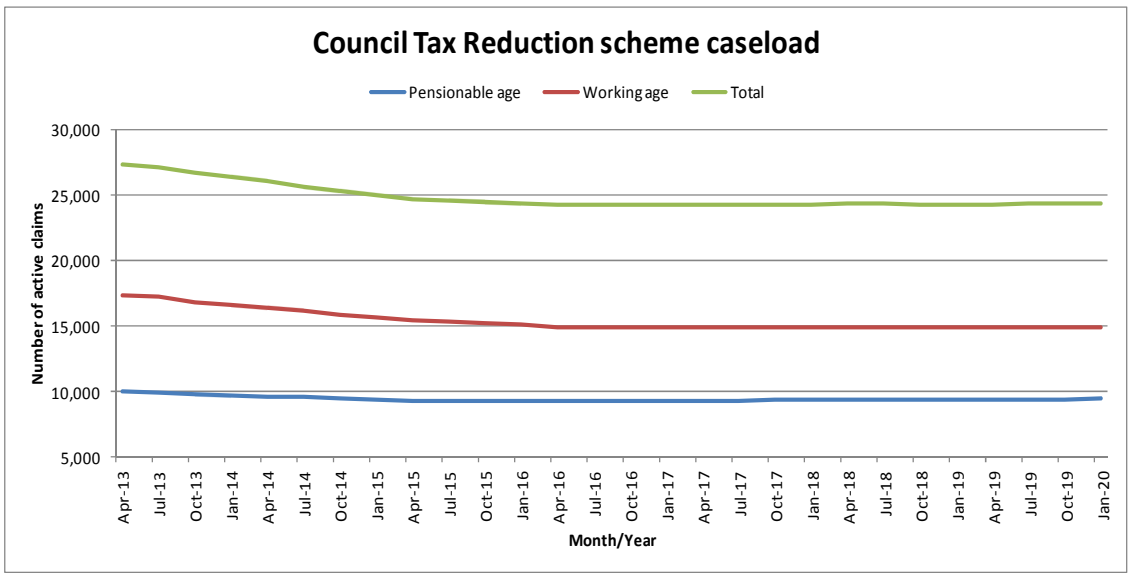
The charts below provide projections of the council taxbase taking into account student accommodation and growth in the number of properties. The first chart shows the numbers of properties on the council tax register. Properties occupied by students are exempt from council tax and so this particularly highlights the changes in the taxbase excluding halls of residence and then the second chart shows the profile of student exemptions in properties other than halls of residence. While there is underlying growth in the council taxbase it is almost entirely offset by the growth in student exemptions – from 2015/16 the financial model assumes a net 0.25% growth.





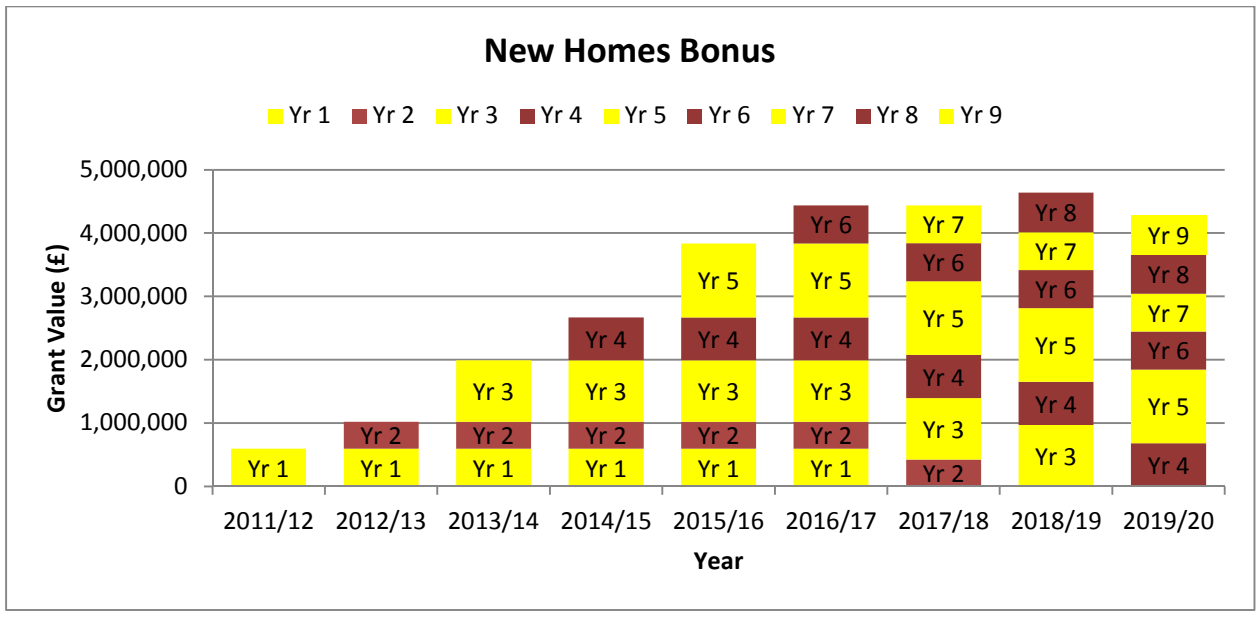
Council Tax Reduction Scheme

The Council Tax Reduction Scheme (CTRS) provides a discount on the amount of council tax payable by those on a low income, currently set at 91.5%. Introduced in 2013/14, it is entirely funded from the council's General Fund resources. In 2013/14 the caseload fell both across pensionable and working age clients and this trend is continuing in 2014/15. It is currently projected to remain stable in future years – any caseload changes are entirely the council's risk. While the numbers of people of working age in employment can potentially be influenced by the council through its approach to economic development, the pensionable caseload is entirely related to demographics. As the Revenue Support Grant falls, the funding of a high level of discount will become increasingly difficult and the current level of discount could only be sustained by reducing costs or spending on services elsewhere.



New Homes Bonus (NHB)

The New Homes Bonus provides an incentive for increasing the council taxbase; it is payable for a maximum of 6 years and has been funded in general by nationally top-slicing local government funding. As a result of the pressures on the General Fund budget, the council has used the NHB to contribute to its budget gap; this means it needs to be mindful of whether additional funding is sufficient to compensate for the ending of NHB resources gained in earlier years.



Revenue Resources

The direction of travel for local government finance is for local authorities to aim to be self sustaining amid an overall national context of reductions in public sector spending. This means we need to plan for a resilient and buoyant taxbase in order to protect vital public services in the city.

For the council taxbase this means:

- enabling new development of housing through our planning policy and City Plan;
- progressing estate regeneration schemes using Housing Revenue Account resources to leverage new investment;

- working with the Universities to ensure that, as far as possible, growing student housing needs are met by new student accommodation rather than by existing housing which attracts student exemptions for council tax;
- ensuring that we have a fair Council Tax Reduction Scheme that includes support when people run into acute financial difficulty;
- planning to maximise resources from council tax within the parameters set by central government either directly or through ‘freeze grants’.

We therefore aim to:

- increase the number of new properties paying council tax and generate additional short term income through the New Homes Bonus;
- mitigate as far as possible the ongoing rise in properties not paying council tax as a result of student exemptions;
- minimise the number of homes that are empty through effective policies and the number of fraudulent awards of discounts, especially single person discounts;
- maintain a top quartile collection rate in comparison with similar authorities and maximise collection of any outstanding debts.

For business rates retention this means:

- attracting inward investment into the city as detailed later;
- maximising the deployment of our successful City Deal funding bids to ensure a thriving city region;
- enabling the mixed use development of key sites in the city, using our land and, where the business case supports it, prudential borrowing or other financing arrangements to generate new employment space.

We therefore aim to:

- protect and grow the council’s share of the business rates taxbase;
- minimise the number of businesses who are not paying the expected level of business rates;
- maintain a top quartile collection rate in comparison with similar authorities.

Government Grant Funding and Council Tax

The council will continue to receive funding from government (an estimated £45.5m of Revenue Support Grant in 2015/16) for some years although this will become increasingly less important within the context of the council’s overall finances and moving towards a self-sustaining system. We will therefore continue to lobby government to take into account a number of issues that are key to the financial resilience of the council including:

- maintaining local democratic choice in determining council tax rises;
- ensuring that the high and growing number of student exemptions on the council taxbase are compensated for in the grant system;
- securing a fair system for funding academies and free schools that doesn’t have a detrimental impact on the council’s ability to support and challenge schools across all sectors;
- ensuring that Housing Benefit Administration Grant fairly reflects the costs incurred by the council, particularly given delays to the rollout of Universal Credit and changing work patterns as a result of Welfare Reform;
- ensuring that any changes to grant distribution methodology have a fair outcome for the city and that all new burdens on local government are fully funded, in particular, Care Act and Better Care Fund implications.

The council will seek to supplement its resource base by bidding for **revenue and capital grants** in order to:

- deliver capital investment that it cannot finance from its core funding;
- pump-prime new service development designed to achieve long term financial savings.

We are likely to need to be increasingly reliant on one off grant funding and therefore need to plan up front for ongoing maintenance of any capital investment and any exit costs from new initiatives in order to minimise the long term impact on the revenue budget.

Fees, Charges and Rents

The council also generates substantial income from fees, charges and other rents (i.e. other than council housing rents). The overall approach to **fees and charges and rents** in this Medium Term Financial Strategy is:

- to recognise that fees, charges and rents are an increasingly vital part of the council's resource base and an important aspect of ensuring services provide value for money, but also recognising that they need to be set at sustainable levels;
- as part of our value for money programme, to closely scrutinise all aspects of fees, charges and rents from the setting of fees and charges through to collection performance, and from finding new sources of income to the cost of collection;
- to protect and enhance income in our leisure facilities, cultural destinations and public venues through the quality of the visitor offer while considering concessions and differential charging where appropriate;
- to ensure that, where fees and charges are determined locally, they take into account any impact on demand and local conditions, and compare well with those charged by comparable services or other providers in similar settings;
- to develop new income streams from charging or trading while minimising any increase in associated costs.

Planned Investment in Services

Although the financial position will be challenging over the 5-year period, **the council's General Fund budget will still provide substantial revenue funding with gross spending on services remaining well in excess of £300m per annum throughout the MTFS period**. The focus of the Corporate Plan and the MTFS is therefore on prioritising the use of these significant resources to deliver value for money public services and achieve good outcomes for the city, increasingly in partnership with a range of other providers and across all sectors. The General Fund budget will therefore be invested in line with 'Our Principles' as set out in the Corporate Plan with the aim of:

- Increasing equality
- Improving engagement

A summary of how it is intended to invest the council's resources to support the priorities in the Sustainable Community Strategy (Brighton & Hove Connected) and the Council's Corporate Plan is set out in the following pages under each of the following priorities:

- Economy & housing
- Children & young people
- Health & wellbeing
- Community safety & resilience
- Environmental sustainability

Economy & Housing

Our **City Regeneration** Unit will be at the heart of planning for the future development of the city, working in partnership with other authorities and other sectors to attract funding for developments that will promote the business, visitor and academic economies together with appropriate housing and transport infrastructure within the framework set by the council's City Plan.

Capital investment in the Local Transport Plan will be protected and the opportunities presented by self-financing in the Housing Revenue Account will be used to generate estate regeneration. Other joint investment will be secured through the Greater Brighton Economic Board and the Coast to Capital Local Enterprise Partnership. This central government supported 'City Deal' partnership will provide investment in the Greater Brighton City Region. The main priorities for the Greater Brighton Economic Board are to:

- Bring forward plans for key development sites, such as Preston Barracks, Circus Street Market and New England House, linked to job growth and skills;
- Regenerate the seafront to preserve the city's reputation and visitor economy, through key sites including the i360, Brighton Centre, Black Rock and King Alfred Leisure Centre;
- Improve major transport routes including Valley Gardens and the completion of the Brighton Station Gateway;
- Improve our transport infrastructure sustainability through Local Transport Plan and European funding;
- Maintain a quality built environment through a modern planning service to enable growth and promote health and wellbeing.

The **Brighton i360** will provide a boost to our economy. It will generate more than 440 permanent jobs - 169 jobs at the attraction plus additional jobs from the spin off benefits to other businesses located in the city. The i360 is expected to attract over 700,000 visitors a year, including up to 300,000 new visitors to the city, who will all spend money in local shops, restaurants, and at other attractions. In total it is expected that the i360 will inject between £13m and £25m of additional revenue into the local economy annually.

We will continue to seek to leverage **external investment** to maintain our historic assets, including for the Royal Pavilion Estate.

The MTFS will also support sustained investment in **homelessness prevention** and working with neighbouring authorities to procure sufficient quantities of temporary accommodation. This will mean collaboration across adult social care, children's services and the health service to secure appropriate accommodation for our most vulnerable clients.

By doing this we aim to:

- support growth of our council tax and business rates taxbase as described earlier;
- sustain and enhance income streams from our seafront properties, at our venues and at other visitor attractions;
- maintain a successful visitor economy to support accessible employment opportunities for the city;
- contain the financial impact of the anticipated rise in demand for homelessness services and provide cost effective support for independent living for vulnerable clients;
- secure investment in housing stock with minimum subsidy from the council.

How do we plan to invest?

- Creating future job and business growth through joint investment in the city, accessing new funding via the Greater Brighton Economic Board, Coast to Capital (Local Enterprise Partnership) and EU funding.
- Royal Pavilion Estate development to draw in new partnership investment to sustain this unique site's importance as the heart of the city's cultural offer.

- Enable development of new, affordable homes, including building new council homes working with government, registered providers and other partners to maximize investment.
- Draw in external investment for our downland estate and city parks and open spaces, including developing Stanmer Park as a gateway from city into the South Downs.
- Enable development and regeneration of key sites and transport routes through the Greater Brighton Economic Board as set out above.

Children & Young People

We will continue to invest in **prevention and early intervention** and prioritise resources on preventing families falling into need, and helping them to get out and stay out of crisis. We will do this through:

- our Stronger Families, Stronger Communities programme which supports families in multiple deprivation through jointly commissioning interventions with partner agencies such as police and probation services;
- sustaining investment in early years services, but targeting interventions at those most in need, for example free childcare for the 20% most disadvantaged 2 year olds;
- strengthening our **Early Help Hub** services particularly supporting schools and redesigning our behaviour support services;
- improving our safeguarding approach through more effective cross-partnership working with other agencies and the development of our **MASH** (Multi-agency safeguarding hub) facilities in Whitehawk and Woodingdean.

We will continuously improve value for money through the **procurement and commissioning** of:

- Universal services, such as youth services and children's centres. This may involve difficult choices when compared with the need to protect and safeguard children and provide care services for those who need it;
- SEN and Disability Services which are currently the subject of a major review incorporating the SEN reform agenda;
- home to school transport, including working closely with transport colleagues and the adult social care client transport team to maximise value for money;
- expert assessments in care proceedings;
- high cost placements, working across East and West Sussex, particularly with South East Seven (SE7) partners on special educational needs.

We will continue to lobby government to ensure that there is sufficient "basic needs" capital funding for new pupil places. We will work with the Department for Education to secure additional capital investment to increase the diversity of school provision within a context of strong partnership working across all the city's schools.

By doing this we aim to:

- support children to stay with their families and in their local communities rather than in expensive local authority placements;
- reduce the amount the council spends on supporting the costs of institutional care pathways through improved multi-agency working;
- reduce our relatively high costs of providing children's social care;
- secure sufficient capital investment for school places.

How do we plan to invest?

- Plan and deliver sufficient school places, with a focus on secondary places.
- Improvement in secondary attainment, linked to skills for the workplace and the developing city economy, closing the gap in attainment for vulnerable students.
- Early help advice and support for public agencies on child protection issues, including schools.

- Embed and further improve our multi-agency response for safeguarding, to reduce the rate of re-referrals below the national average.
- Review support for disabled children and young people, ensuring value for money services.
- Review services to promote better outcomes for young people.
- Coordinated, early help for young people and vulnerable adults at risk of homelessness.

Health & Wellbeing

The transfer of the Public Health function from 1 April 2013 provided an opportunity for us to align spend with other council services to promote healthy choices and lifestyles to prevent long term health conditions. We aim to realign budgets to:

- better coordinate support functions such as research and analysis and communications;
- simplify our commissioning of services from the community and voluntary sector as some organisations are in receipt of multiple funding streams from the council;
- combine spend for example with transport, housing and sports and leisure initiatives to maximise its impact.

We will **maintain fair access** to Adult Social Care services at the current needs level of "Critical and Substantial" and we expect that these criteria will be in line with new nationally set criteria to be in place from 2015/16. We will fulfil our responsibilities to assure the quality of services provided in the city and **safeguard** vulnerable adults under new statutory responsibilities in the Care Act 2014.

We will support individuals to **stay in their own homes** and in their own communities wherever possible by:

- promoting personal budgets, choice and independence;
- protecting funding for carers;
- investing in Telecare, Reablement and other services that can prevent admission to more expensive forms of care or hospital;
- working closely with the community and voluntary sector to ensure flexible local provision that best meets individual needs;
- working closely with health partners and housing colleagues to ensure the **Better Care Fund** delivers whole system integration for those who are frail, including those who are homeless and have mental health difficulties.

We will continue to assess the options for alternative service delivery models to protect the council's capacity to be an essential provider of certain services in the city.

We therefore we aim to:

- reduce our relatively high unit costs of adult social care by reducing the numbers of clients in expensive residential and nursing home care;
- develop housing solutions that can help to provide a lower cost, mixed economy of care provision;
- improve the outcomes and value for money of our Public Health function;
- adapt to the changing demographics and needs of our population in a way which is affordable;
- improve safeguarding through integrated working and improved support (e.g. Telecare);
- generate new sources of income to help protect quality services and safeguard the most vulnerable;
- support integration of services to reduce acute hospital admissions.

How do we plan to invest?

- Coordinated approach to health and wellbeing priorities across council and partner activity, managed through the new and developing Health & Well Being Board.
- Improve the health of the population and reduce costs of long term health conditions by ensuring effective programmes for obesity, smoking, drugs and alcohol and sexual health.

- Personalised approaches for adult social care to promote greater independence and meet new assessment requirements brought about by new national care legislation.
- Supported housing to promote independence and reduce the need for acute and residential care services.
- Review support for disabled adults and children, ensuring effective and value for money services.
- Use community buildings, such as libraries, to promote health and wellbeing and co-locate facilities and services.
- Offer better advocacy, information and advice for clients and informal carers.
- Citywide cultural and leisure activity that promotes better mental and physical health and inclusive communities, with a focus on places where health inequality is more common.
- Improve health and social care outcomes for people experiencing homelessness, as part of our Better Care programme.

Community Safety & Resilience

We will **collaborate with the community and voluntary sector**, supporting its programme to transform local infrastructure and moving away from a grants based funding model to a commissioning and contracting model.

Better use of intelligence through working with the police will ensure our public protection function is focused on the most effective interventions and we will explore opportunities to **expand traded services.**

By doing this we aim to:

- better target our limited resources for public protection and develop new income streams;
- support a robust third sector in the city that can contribute to resilient local communities and deliver a high social return on investment.

How do we plan to invest?

- Build on our mature Safe in the City Partnership approach between council, police, health, community and voluntary sector organisations and businesses.
- Develop our work directly with communities, such as Local Action Teams, community forums and volunteering.
- Deliver effective programmes with partners to address hate crime, domestic and sexual violence and anti-social behaviour, and support for those who have been affected.
- Continue to manage effective prevention through a range of different services, such as licensing and public protection, as part of our joined up health and wellbeing approach.
- Review options for further discretionary licensing of private rented homes, including Houses in Multiple Occupation where evidence supports this will address poor standards or anti-social behavior.
- Keep children and young people safe, for example through our Local Safeguarding Children Board, and provide support to reduce their chances of becoming offenders or reoffending.
- Offer cultural and leisure activities for the city that promote community cohesion and understanding.
- Use our buildings and services in community settings, such as libraries, to foster positive relationships with public services and between different communities.

Environmental Sustainability

We will work with partners to promote and deliver a broad understanding of sustainability for the council and the city with the aim of protecting the environment and also improving the health and wellbeing of our communities. We will also educate about and protect the biodiversity in the city, celebrating our unique environment through our Brighton & Lewes Downs Biosphere.

We will continue working in partnership with the South Downs National Park ensuring the city both helps protect and benefits from its proximity to the Park.

We will deliver savings and additional income through our **management of waste** by:

- redesigning our CityClean services to support our future waste management strategy;
- working with SE7 partners on a long term strategy for securing commercial income streams from recyclate;
- sharing the revenue from commercial waste disposal and electricity generation at the Energy from Waste facility in Newhaven.

Through our **Workstyles** modernisation programme we will continue to reduce our accommodation requirements and improve the sustainability of remaining buildings through our Planned Maintenance Programme, addressing key energy saving initiatives including oil to gas conversions and improvements to insulation. We have also introduced Automated Meter Reading (AMR) equipment widely to address energy losses and leaks where they occur.

Other measures include:

- continuing with energy efficient renewal of Street Lighting across the city and exploring options for major capital investment for the replacement of lighting with energy efficient fittings;
- reducing the council's vehicle fleet and continuing to replace vehicles with lower CO2 (g/km) models;
- working with the Sussex Energy Savings Partnership to reduce carbon emissions and tackle fuel poverty in the city's overall housing stock.

In terms of procurement activity, we have developed a **Sustainable Procurement Strategy** as part of our overarching Corporate Procurement Strategy. This aims to embed the principles of sustainability throughout the council's procurement activities and ensure that only value for money products and services are selected. Under this strategy we will:

- Apply a 'whole life' costing approach to give a clear understanding of the full impact of purchasing decisions over the lifetime of a contract;
- Develop and maintain sustainability based selection and evaluation criteria;
- Use targeted contract management to ensure that sustainability targets are delivered upon through the lifetime of a contract;
- Encourage suppliers to take action to reduce waste and promote reuse throughout the supply chain;
- Consider the potential transport requirements associated with any contract and how these may be minimised;
- Build a requirement for CO^2 reduction into the specification of contracts, where appropriate;
- Consider the risk of negative water impact in specific contracts, with particular focus on waste use, waste waster and discharges;
- Encourage suppliers to seek sustainable alternatives to materials which are scarce or at risk of becoming so, including use of sustainable timber;
- Promote the use of, and compliance with, the council's Minimum Food Standards in all relevant contracts.

How do we plan to invest?

- Promote and preserve our Brighton & Lewes Downs Biosphere, using it as a focus to celebrate and protect the quality of biodiversity in the city region.
- Work in partnership with the South Downs National Park to protect the park and ensure that citizens and the local economy benefit from it.
- Draw in external investment for our downland estate and city parks and open spaces, including developing Stanmer Park as a gateway from city into South Downs.
- Continue the implementation of our One Planet Living Action Plan to achieve greater sustainability for the council and the city together.

- Sustainably manage waste from homes, businesses and development, reducing waste and improving recycling rates.
- Continue to promote high quality sustainable development and building standards through planning policy and the City Plan.
- Develop opportunities with partners to improve the quality and energy efficiency of the city's housing stock.
- Provide access to sustainable travel initiatives and low-emission forms of transport which reduced the need for travel and minimise the impact of transport on the environment, including major plans for Valley Gardens in the heart of the city.
- Increase energy efficiency measures for the council, including carbon reduction across services and renewable energy schemes for our own land and property.
- Bring forward private investment to deliver key development sites that will protect and renew our seafront, such as the i360.

Modernising the Council

Modernising the council is about ensuring that the council is in a good position to make the best use of limited public resources, ensuring that services represent good value for council tax payers and sustaining our financial future.

This means:

1. Continuing our value for money programme to reduce costs in key areas.
2. Using our assets, property and land to the best financial effect, supporting collaboration in future service delivery and enabling investment and regeneration in the city.
3. Reviewing our model of central services provision within the council to ensure it can support modernisation across the whole organisation.
4. Leading progress with partners on future funding relationships between local public services, capitalising on growth and opportunities in the wider economy.
5. Learning from benchmarking our services with other councils and providers, and from best practice elsewhere.

We will also be proactive in our response to the government's **welfare reform** agenda and continue to plan ahead for the transition to Universal Credit, working with the community and voluntary sector to:

- ensure access to financial advice and support;
- enable digital inclusion as far as possible across all customer groups;
- provide coordinated support to the most financially vulnerable, for example, through our discretionary funds.

We will continue to invest in coordinated, fair and early **debt collection and fraud prevention** to maximise and safeguard the council's revenue streams.

We will invest in the council's **ICT infrastructure** to ensure it is resilient and secure, can support efficient working practices, and enables easier access to our services on-line and through digital media where necessary.

We will drive the council's ambitious **Modernisation Programmes** including Value for Money, workforce changes, and quality services through integrated working with partners and better understanding and management of rising demands.

We will maintain **effective governance and performance management** through strong civic leadership supported by high quality legal, financial and procurement advice to safeguard the interests of the council taxpayer. We will explore working in integrated, joint or shared service arrangements with our partners where appropriate, both within and cross sector, to secure value for money and maintain sufficient expert capacity.

Treasury Management & Investment

This section of the MTFS sets out the strategy for treasury management activity. An effective approach to treasury management can make a significant contribution to the council's overall financial position and resilience. Our treasury management practices are strictly regulated by statutory requirements, operating within the CIPFA[1] Code of Practice for Treasury Management and adhering to Department for Communities and Local Government guidance.

The Code of Practice on Treasury Management recommends the policy statement should include the council's high level policies on borrowing and investments. To this end the council will invest its monies prudently, considering security first, liquidity second and yield last, carefully considering its investment counterparties. The council will similarly borrow monies prudently and where this is consistent with the council's priorities.

The council also approves an Annual Investment Strategy which is designed to proactively manage the council's debt & investment portfolios and cash flows to meet financing and investment budget and income targets respectively whilst ensuring the authority is not placed at undue financial risk.

To help us achieve this, we have developed a number of aims as follows:

- Managing the security and liquidity risk of investments whilst taking opportunities to optimise returns on investments;
- Effectively managing the council's cash flow requirements;
- Undertaking new borrowing at or below budgeted rates;
- Seeking opportunities to reduce the cost of servicing existing debt and managing exposure to interest rate risk and volatility;
- Monitoring economic and market developments and assessing the implications on the debt and/or investment portfolio;

The council will review the performance of the treasury management function against the following long-term objectives:

- to manage the financial exposure to risk arising from fluctuations in interest rates and potential changes in Government policy;
- to investigate options for improving performance and generating short and long term revenue savings;
- to develop meaningful performance measures for borrowing and investment which can be reviewed and reported on a regular basis.

One of the objectives for treasury management is to reduce, over the medium term, the average cost of the long-term debt portfolio. In the absence of any generally accepted market practice the benchmarking for borrowing will be assessed against this objective.

Investments are benchmarked against the 7-day LIBID rate. This rate is used as it traditionally represents an achievable return on short-term investments without active treasury management. The target rate, i.e. the margin above the benchmark, is as follows:

- for the in-house team: 105% of the benchmark rate (i.e. if the benchmark rate is 4% then the target rate is 4% times 1.05 which is 4.2%);
- for external cash managers: 115% of the benchmark rate (the higher margin reflects the long-term nature of the cash manager mandate and the potential higher returns from the specialist markets available to the manager).

A benchmarked risk factor is also used to measure investment risk and for 2014/15 is recommended at 0.05%, the same as 2013/14. This benchmark is a simple target (not limit) to measure investment risk and so may be breached from time to time, depending on movements in interest rates and counterparty criteria. All breaches are reported and reviewed to inform ongoing investment strategy.

[1] CIPFA (Chartered Institute of Public Finance & Accountancy)

Capital Investment Strategy

Capital resources are available to the council for investment in assets. They play an important role in helping to achieve the council's Corporate Plan priorities. This section of the MTFS sets out the strategy and plans for capital expenditure. The council's Capital Strategy outlines the process for the prioritisation and evaluation of capital investment projects. A summary of these priorities is detailed as follows:

- To seek to protect as far as possible capital grant funding for transport and the public realm investment;
- To pool all remaining non ring-fenced capital resources and allocate to priority areas for investment;
- To allocate approximately £0.25m per annum to 'major projects' investment through a Strategic Investment Fund. These projects support the economy through regeneration of key sites;
- To allocate £0.5m per annum towards the Information and Communication Technology Fund to address the funding of central network support and improvements to the ICT infrastructure identified in the ICT Investment Strategy;
- To allocate £1.0m per annum to the Asset Management Fund to support essential property improvements;
- To allocate £0.5m per annum through borrowing to support investment in Social Care buildings;
- To generate capital receipts from the disposal of surplus or under-performing assets and to deploy the proceeds from the sale of capital assets:
    - i) for reinvestment in the capital investment programme, or;
    - ii) for repayment of debt or for investment, for example, to offset any loss of rental income in the revenue budget, or;
    - iii) for reinvestment from under-performing assets back into more commercially viable assets as part of the rationalisation of the property portfolio.
- To divide the net receipts from 'right to buy' sales of council housing between funding for corporate strategic priorities delivering regeneration, including affordable housing opportunities, and investment directly in housing. Changes to the Right to Buy Regulations mean the maximum that the council can currently retain for corporate investment will be £0.475m per annum;
- To use unsupported borrowing for service improvements where a business case has been developed and approved, and can demonstrate that the investment will provide value for money and that the additional financing costs are reflected in the revenue budget;
- To explore all funding options including partnerships and one-off bidding processes.

In the context of this strategy the council will need to review its deteriorating infrastructure asset base such as highways structures, street lighting and the seafront, and identify critical investment requirements over the medium term and sources of funding.

The following sections describe the main areas of capital investment over the MTFS period.

Corporate Capital Expenditure

Currently, as mentioned above, the council groups its corporate capital spend into 3 areas**:**

- Strategic Investment Fund (SIF) - £0.250m per annum
- Asset Management Fund (AMF) - £1.000m per annum
- ICT Fund - £2.000m for 2015/16 and £0.500m per annum thereafter.

The level of these funds is dependant on generating capital receipts from asset disposals and is therefore subject to their availability and prevailing market conditions. Projected future receipts include some major disposals such as Patcham Court Farm and Preston Barracks. Receipts associated with the council's Workstyles Programme, such as the disposal of Kings House, are ring-fenced to support that programme and help deliver future efficiency savings. Capital receipt projections are shown at table 2 below.

Government Capital Grants

The government provides the council with funding for education and transport investment. The council is entitled to treat this funding as a "single capital pot" and hence spend it in accordance with corporate priorities. However the calls for spending in these service areas are very high and there are often conditions attached to these funds by the relevant government department.

Education capital – The programme includes allocations of £24m over the next 2 years for New Pupil Places and estimates have been included for Education Capital Maintenance of £3.0m pa and £0.5m pa for Devolved Capital to schools. All of this will be required for new primary and secondary pupil places, capital maintenance for schools and devolved formula capital for schools.

Transport capital – No announcements have been made for future allocations although it is expected that these allocations will be top sliced and be diverted toward regional funding.

The **Greater Brighton City Region** is a major part of the Coast to Capital LEP and will fulfil its potential to become one of the UK's leading Super City regions by developing a network of Growth Hubs. The council has also received grant funding through the City Deal for up to £4.9m to support the New England House redevelopment. Grant funding has been secured for the Valley Gardens Phase 1 & 2 of £8.0m and £6.0m for Phase 3 of the project which is due to commence from 2016/17.

Adult Social Care grant will be received under the banner of Better Care Funding and will support capital investment such as the Disabled Facilities Grants allocations.

The council may receive other **one off capital grants** from government lottery funding or the EU for individual capital schemes but they will be ring-fenced. The project at 'the Level' is an example of this where the council has provided match funding to lever in additional resources.

Funding from Revenue

Some capital expenditure is funded directly from revenue such as planned maintenance to schools and other council buildings; however, there is no capacity to increase these resources in the context of the revenue budget savings requirements.

Funding from Borrowing

Some capital expenditure is funded from borrowing and the financing costs included in the revenue budget to spread the costs over many years.

While there are limits (set by full Council) about how much borrowing can be undertaken, the real test is one of affordability – if the revenue financing costs can be funded through cashable savings, the investment may be supportable. A recent example of this has been the capital investment in upgrading car parks where the projected additional parking revenues will fund the borrowing and also deliver savings.

Most notably, borrowing is being used to support the i360 investment where the council is working in partnership with a private developer to support the construction of a viewing tower on the seafront through a commercial loan arrangement together with Local Enterprise Partnership (LEP).

The council has started borrowing funds through a government agency, called the Public Works Loans Board (PWLB), to lend to the developer of the i360 at a commercial interest rate. The council will receive a higher rate of interest than it pays the PWLB, thereby earning nearly £1 million per year for the city at a time of funding reductions. The total project cost is £46.2 million, including interest. The developer, Marks Barfield (the architects and developers of the London Eye), is investing £6 million and the Coast to Capital Local Enterprise Partnership (LEP) will invest £4 million. The loan will be repaid over 25 years but could potentially be repaid sooner if the attraction is more successful than projected.

Options to Generate Capital Investment

The council can use its land to facilitate private sector or partnership based investment. Recent examples include the Amex Community Stadium, Circus Street Development, Open Market and Preston Barracks developments. Strategic Investment Fund money is used to help support the delivery of these projects.

The council has 3 existing PFI schemes – Integrated waste management with East Sussex County Council, the Jubilee Library, and 3 secondary schools. The potential for obtaining future PFI credits for projects that would fit with the council's priorities will be considered where available, however, these schemes need careful consideration of value for money due to their, usually, long term lifecycle.

The council also bids for capital investment through funding streams such as the Heritage Lottery Fund (HLF) and may include potential investment for schemes at the Royal Pavilion and the Stanmer Park regeneration project. The Royal Pavilion project has already secured £0.2m from the Arts Council to progress the project. The council is also supporting the Saltdean Lido CIC (Community Interest Company) in its bid for HLF funding.

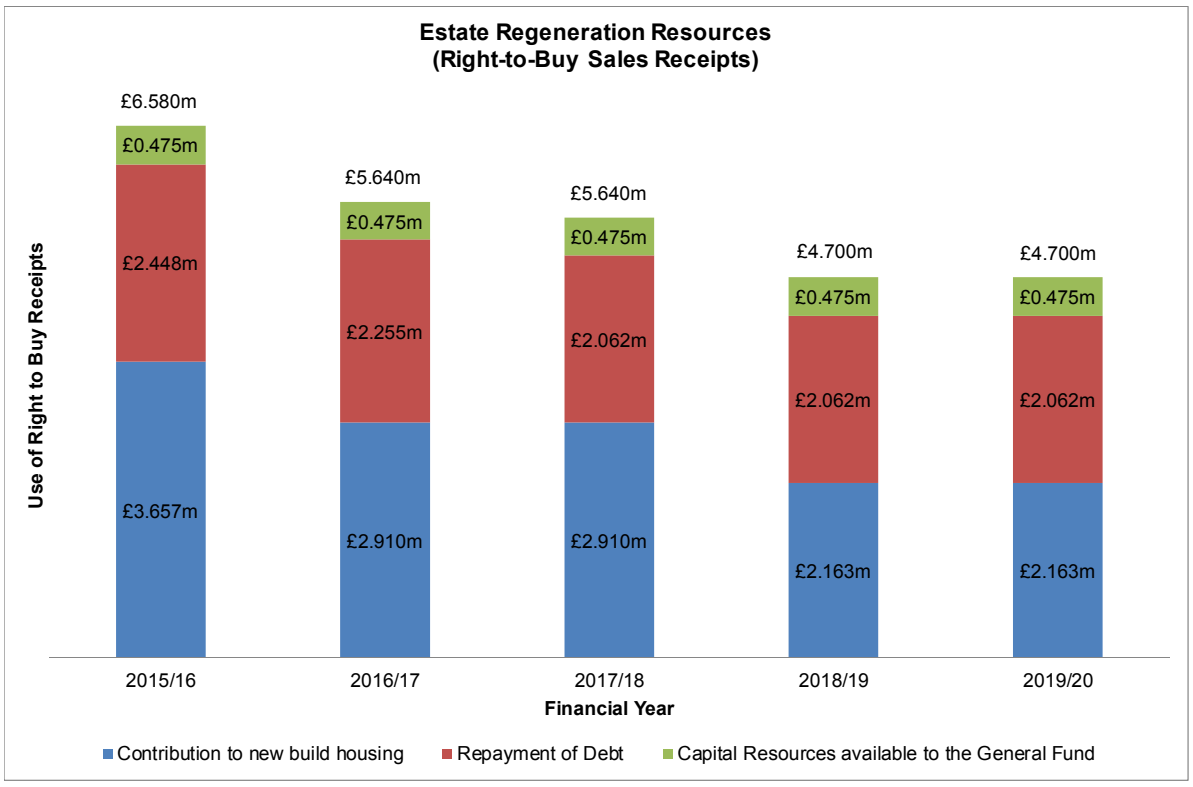
Housing Revenue Account

The Housing Revenue Account (HRA) capital strategy focuses on meeting Corporate Plan priorities through building new homes and improving the quality and sustainability of the existing housing stock. The HRA capital strategy aims to ensure that every pound invested reaches beyond the housing service and contributes to regeneration, tackling inequality, creating training and employment opportunities and improving sustainability.

The HRA now operates on 'self-financing' principles and the capital programme may therefore be funded from a variety of HRA sources including revenue surpluses (rental income), borrowing, capital receipts (including surplus Right-to-Buy receipts towards new build schemes), reserves and other grants. These resources are part of the HRA ring-fenced account to be spent on council owned stock.

The City Plan sets a local housing target for the City to 2030 of 11,300 new homes; this includes 500 homes from HRA/Estates Regeneration Programme. The HRA new homes/estates regeneration programme is split into 3 phases, with delivery of phases 1 & 2 by 2017 and the wider regeneration phase 3 by 2020.

Under current central government policy Right to Buy receipts from the sale of council houses may be used to contribute up to 30% of the cost of new build and estate regeneration schemes with remaining financing coming from 'self-financing' resources referred to above. The total projected Right-to-Buy (RTB) sales are shown below split between their projected contribution to new housing, an amount set aside for the required repayment of debt, and resources allowable for use in the General Fund Capital Investment Programme. Under current rules, time limits are applicable to the use of receipts for new housing schemes.



10 Year Capital Strategy Model

The strategy is presented in the form of a 10-year projection (Table 1) including known capital investment requirements for which there may not be funding secured or identified as yet, such as the requirement for up to £60m for seafront infrastructure investment over the next 15 years.

We will prepare future capital strategies in a new format that will focus on outcomes that meet the priorities of the council and that may also have a positive effect on the revenue budget. Outcomes include identifying new housing units, new pupil places, employment generation, generating new business rate and council tax income streams, reduced carbon emissions and reductions in road traffic incidents amongst others.

Capital Investment Outcomes

Capital investment will only be undertaken where it can be shown to support Corporate Plan priorities and associated service objectives. Under the developing 10 year Capital Strategy Model there will be an increasing focus on identifying and measuring expected outcomes from capital investments. This ensures that all aspects of capital investment can be reviewed so that continuous improvement in investment decisions can be made over the MTFS and capital strategy periods.

Table 1 – 10 Year Capital Projections Summary

Capital Investment Programme – 10 Year	Year 1 2015/16 £000	Year 2 2016/17 £000	Year 3 2017/18 £000	Year 4 2018/19 £000	Year 5 2019/20 £000	Year 6 2020/21 £000	Year 7 2021/22 £000	Year 8 2022/23 £000	Year 9 2023/24 £000	Year 10 2024/25 £000
Approved Schemes										
Adults Services	375	150	150	-	-	-	-	-	-	-
Children's Services	-	-	-	-	-	-	-	-	-	-
Env, Development & Housing - General Fund	7,526	5,973	4,258	692	1,160	835	-	-	-	-
Env. Development & Housing - HRA	4,493	-	-	-	-	-	-	-	-	-
Assistant Chief Executive	13,000	6,222	-	-	-	-	-	-	-	-
Finance Resources & Law	11,025	3,006	-	-	-	-	-	-	-	-
Identified Schemes Not Yet approved										
Adults Services	1,595	-	-	-	-	-	-	-	-	-
Children's Services	9,500	12,400	17,000	17,000	12,000	2,000	2,000	2,000	2,000	2,000
Env Development & Housing - General Fund	8,000	21,000	25,000	21,950	8,000	6,000	6,000	6,000	6,000	6,000
Env. Development & Housing - HRA	47,640	49,039	31,224	34,600	31,600	29,100	28,600	29,100	29,100	29,100
Assistant Chief Executive	1,000	40,500	87,500	69,000	6,000	-	-	-	-	-
Finance Resources & law	-	12,250	12,250	-	-	-	-	-	-	-
Funding to be Allocated										
Adults Services	-	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Children's Services	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Env Development & Housing - General Fund	5,580	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Env. Development & Housing - HRA	-	-	-	-	-	-	-	-	-	-
Assistant Chief Executive	-	-	-	-	-	-	-	-	-	-
Finance Resources & law	4,250	2,750	3,450	2,750	2,750	2,750	2,750	2,750	2,750	2,750
Total	116,384	164,190	191,732	156,892	72,410	51,585	50,250	50,750	50,750	50,750
Funded by Capital Resources:										
Government Grants (non ring-fenced)	21,606	24,240	11,600	11,600	11,600	11,600	11,600	11,600	11,600	11,600
Government Grants (ring-fenced)	500	22,900	4,700	5,500	3,800	500	500	500	500	500
Capital Receipts	20,148	24,257	81,156	5,350	3,850	3,850	3,850	3,750	3,750	3,750
Capital Reserves	5,120	2,215	2,000	500	500	500	-	-	-	-
External Contributions	4,141	20,350	17,900	10,250	2,400	-	-	-	-	-
Direct Revenue Funding	1,425	1,550	1,670	1,500	1,400	1,400	1,400	1,400	1,400	1,400
Revenue contribution capital (HRA self-financing)	23,500	24,000	24,500	25,000	26,000	26,400	26,400	27,000	27,000	27,000
Council Borrowing	31,950	37,668	24,806	62,792	4,560	1,335	500	500	500	500
Total Capital Resources	108,390	157,180	168,332	122,492	54,110	45,585	44,250	44,750	44,750	44,750
Capital Resource Gap	**7,994**	**7,010**	**23,400**	**34,400**	**18,300**	**6,000**	**6,000**	**6,000**	**6,000**	**6,000**
Cumulative Capital Resource Gap	*7,994*	*15,004*	*38,404*	*72,804*	*91,104*	*97,104*	*103,104*	*109,104*	*115,104*	*121,104*

Table 2 – Capital Receipts Projections

Capital Receipts Projections – 10 Year	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Right to Buy Receipts (from HRA):										
Sale of Council houses (RTB's)	6,580	5,640	5,640	4,700	4,700	4,700	4,700	4,700	4,700	4,700
Contribution to new build (time limited)	(3,657)	(2,910)	(2,910)	(2,163)	(2,163)	(2,163)	(2,163)	(2,163)	(2,163)	(2,163)
Payment to Govt. & Allowable Debt	(2,448)	(2,255)	(2,062)	(2,062)	(2,062)	(2,062)	(2,062)	(2,062)	(2,062)	(2,062)
Net after expenses & New Build contribution	475	475	475	475	475	475	475	475	475	475
General Fund:										
Overage/covenants/licences/loan repayments	370	370	370	250	250	250	250	250	250	250
Patcham Court Farm	3,000									
Falmer released land & hotel land	tbc	tbc	tbc							
Preston Barracks		5,150								
Kings House	960	8,640								
Other Workstyles Buildings	1,515									
Stanmer Park properties	3,720	1,000	1,000							
Less set aside for loss of rent, fees & liabilities	(777)	(1,805)	(250)	0	0	0	0	0	0	0
Net General Receipts	**9,263**	**13,830**	**1,595**	**725**	**725**	**725**	**725**	**725**	**725**	**725**
Use of Capital Receipts	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
General Fund Receipts balance b/fwd	5,113	(280)	6,770	4,565	1,540	515	(510)	(1,535)	(2,560)	(3,585)
Capital Receipts	9,263	13,830	1,595	725	725	725	725	725	725	725
Planned programmes - SIF	(250)	(250)	(250)	(250)	(250)	(250)	(250)	(250)	(250)	(250)
Planned programmes - AMF	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Planned programmes - ICT	(2,000)	(2,000)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)
Planned contributions to Brighton Centre redevelopment reserve	(2,200)	(550)								
King Alfred Reserve	(689)									
Ring-fenced for Workstyles	(8,517)	(1,550)								
Ring-fenced other projects i.e. Stanmer		(1,430)								
Regeneration project (Preston Barracks receipt)			(2,050)	(2,000)						
Net balance (assuming receipts delivered)	**(280)**	**6,770**	**4,565**	**1,540**	**515**	**(510)**	**(1,535)**	**(2,560)**	**(3,585)**	**(4,610)**

Other capital receipts that may potentially be received in the future include Kensington Street sites, The Cliff at Roedean, Imperial Arcade and Industrial House, Conway Street, Montague Place, and Hangleton Bottom. The above receipts exclude those associated with Brighton & Hove Seaside Community Homes and education.

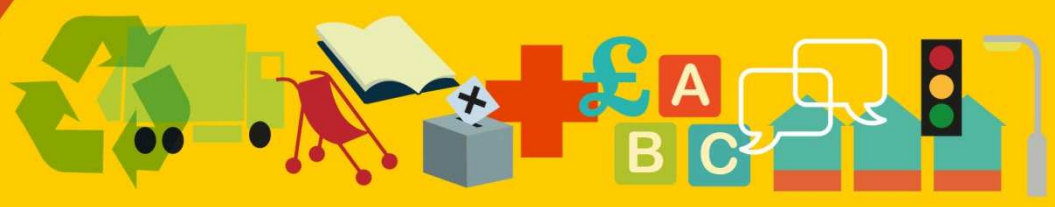
Business Rate Revaluation

A national revaluation of business rates is due to be implemented from 1 April 2017. Whilst any increases or decreases in business rates as a result of the revaluation will be adjusted for in the business rates retention system, it is unclear how appeals will be treated so new provisions for potential successful appeals on the 2017 list have been made in the forecast. Further analysis needs to be undertaken regarding the major redevelopment of the Royal Sussex County Hospital (known as 3T's) where there will be temporary reductions in business rates income as the phased works are carried out but an overall increase once all the work is completed.

Sensitivity of the Projections

A sensitivity analysis has also been carried out for some other possible scenarios. The results are as follows:

- If the number of new homes in the city rises by 540 per annum (i.e. the average shown in the City Plan) then approximately £0.7m New Homes Bonus and £0.5m additional council tax income would be generated each year. However, for example, in 2017/18 the first tranche of New Homes Bonus money allocated in 2011/12 ends so the net benefit in that year is only £0.1m.
- If the number of homes exempt because they are occupied solely by students rises at 7.5% per annum, then council tax income will fall by about £0.4m per annum.
- For each 0.5% increase in the rateable value for business rates generates about £0.25m per annum.
- If 10% of the local authority maintained schools transfer to become either academies or free schools then the loss of business rates income would be about £0.1m per annum and the loss of Education Services Grant would be about £0.3m per annum. However, the loss of Education Services Grant could be at least partly offset if the council was successful in selling these services to the new academies and free schools.



Produced by the Finance Team,
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Brighton & Hove
City Council

POLICY & RESOURCES COMMITTEE	Agenda Item 91 Brighton & Hove City Council

Subject:		**Council Tax Reduction Scheme 2015**
Date of Meeting:		**Policy & Resources Committee – 4 December 2014** Council - 11 December 2014
Report of:		**Executive Director of Finance and Resources**
Contact Officer:	**Name:**	**John Francis** **Tel: 291913**
	Email:	**John.Francis@Brighton-Hove.gcsx.gov.uk**
Ward(s) affected:		**All**

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 The council introduced a local Council Tax Reduction (CTR) scheme from 1st April 2013 as a result of national changes localising the previous Council Tax Benefits (CTB) system. Under legislation the local Council Tax Reduction scheme must be reviewed each year. The purpose of this report is to set out that review and the resulting recommendations.

1.2 When CTR was introduced the funding for the scheme was reduced by 10% compared with the cost of the previous CTB scheme. The funding has continued to reduce year on year and the gap between the current cost of the scheme and the funding available for 2015/16 is forecast to be £4.1million.

1.3 The council has a choice to manage this by either; reducing the cost of CTR through increasing the minimum amount CTR recipients are expected to pay and other measures; reduce funding for other general fund services; or, increasing council tax.

1.4 In the current financial year the council is absorbing approximately £1.3million of the scheme costs within its General Fund budget and people of working age in receipt of CTR have to pay 8.5% of their council tax before any CTR is paid.

1.5 CTR for people of pensionable age is set according to national rules which mean there is no minimum contribution to be made. Councils are given no power to alter the way the scheme works for pensioners, despite the fact that funding is being reduced for this group too.

2. RECOMMENDATIONS:

2.1 Note that the council undertook informal and formal consultation as a part of this review and that as a part of the formal consultation a draft scheme was published and people were invited to give their views on that draft scheme.

2.2 Note the outcome of that consultation as set out in section 5

2.3 Note that an Equality Impact Assessment (EIA) has been undertaken on the proposed changes in the draft scheme (appendix 1) which has been summarised in section 7

2.4 Notes that the Executive Director Finance & Resources will, prior to 1st April 2015, exercise her delegated powers to increase the appropriate calculative elements of the scheme, to give effect to national changes.

2.5 That Policy & Resources Committee recommends to Council that:

2.5.1 That the changes set out in section 3.17 are made to The Council Tax Reduction Scheme (Persons who are not Pensioners)(Brighton & Hove City Council) 2013 to take effect from 1st April 2015.

2.5.2 Council note the consequence of the decision in 2.5.1 will mean the option to generate £1.7million through a more widely revised scheme included within the savings proposals elsewhere on this agenda cannot form part of the package for setting the 2015/16 budget and therefore alternative savings proposals will need to be identified. There is no further opportunity to revisit this scheme to support setting the 2015/16 budget.

3. CONTEXT/ BACKGROUND INFORMATION

Background

3.1 The government abolished CTB from April 2013 and required councils to create their own schemes with a reduction in funding of 10% in the first year.

3.2 The council agreed its CTR scheme in December 2012. The council set the contribution for working age people at 8.5% of their Council Tax, increased the amount that is ignored from single people's earnings before it is counted for CTR purposes and introduced a discretionary scheme for vulnerable people. At the point of introduction and for a period of a year transitional protection was put in place to make sure no one would have to pay more than £3 a week extra as a result of these changes.

3.3 With the exception of some calculative elements of the scheme, which were uprated in accordance with national figures under the delegated powers of the Executive Director of Finance and Resources, no changes were made to the scheme for 2014/15.

3.4 To support the introduction of the scheme in 2013 the Revenues and Benefits team formed a debt prevention team to help and work with people who had not paid Council Tax before; a discretionary fund was established to support people in exceptional circumstances; and Money Advice and Community Support (MACS) were commissioned to provide financial and budgeting support to customers.

3.5 For each financial year, the council must consider whether to revise its scheme or to replace it with another scheme. Any revision the council makes to its scheme must be made no later than 31st January in the financial year preceding that in which the revision is due to have effect.

3.6 In July 2014 Policy and Resources committee agreed the recommendation in the Budget and Corporate Plan Preparation report to review the CTR scheme including consideration of the minimum liability level (also referred to as minimum contribution) to be presented at the December Policy and Resources committee and then Full Council. This is the first review of the scheme the council has carried out where it has access to a full year's data on the scheme's operation.

Funding

3.7 Since April 2014, funding for the scheme has been incorporated into the Revenue Support Grant and the Business Rates baseline. Accordingly the funding available for CTR is proportional to these incomes. The Revenue Support Grant income is forecast to significantly reduce over the next six years which means the funding for CTR is reducing in turn. The council has submitted information to the Government via the Independent Commission on Local Government Finance over this issue and a copy of the information presented and the details of the forecast reduction in funding over time is included in appendix 2.

3.8 The current forecast estimates that the shortfall between the current CTR scheme and the funding available in 2015/16 will be £4.084million for Brighton & Hove City Council. The shortfall between the previous CTB scheme where no minimum contribution was required and the funding for 2015/16 would be £5.4million.

Context

3.9 The Government does not prescribe how schemes should be set for working age people but protects people of pensionable age at equivalent levels of entitlement to that which they would have been entitled to under the old CTB scheme.

3.10 In April 2013 when the CTR scheme was introduced there was a total of 27,809 claimant households, 10,421 of whom were of pensionable age and 17,388 were of working age. As at September 2014 the total number of CTR claims was 25,478 with 9,431 claims for people of pensionable age and 16,047claims for people of working age. The reduction in caseload reflects national trends and the reduction in pension age claims confirms findings from the 2011 census that the demographic of the city is becoming younger.

3.11 The collection rate of the amounts owing from people who had any entitlement to CTR during the first year of the scheme shows that 76% of the amount owed was paid in year; by September 2014 this amount had risen to 82%. This suggests the ultimate collection rate is likely to be 85-90%. The overall collection rate for Council Tax as at October 2014 was 98.57% for 2012/13 and 97.38% for 2013/14 after the introduction of council tax reduction. Collection is still ongoing and ultimate collection will not be known for a number of years. This is broadly in line with the experience seen in other local authorities.

3.12 The introduction of CTR has led to higher administrative burdens in terms of volumes of customer contacts, due to the numbers of households that it now collects council tax from. Dealing with these contacts can distract from some of the core business of collection. Extra resources were allocated to the Revenues service to manage this change however this increase has still led to pressures on the service

3.13 The council has undertaken an analysis of what other local authorities' CTR schemes are and what they are consulting on for 2015/16. A full breakdown is in appendix 3. Of other unitary authorities; 18 have a minimum contribution of between 20% and 35%; 23 have a minimum contribution of between 11% - 20%; 6 have a minimum contribution of between 5% - 10%, 5 have schemes which make deductions in ways other than a minimum contribution and 4 have no minimum contribution.

3.14 Following the July budget report, informal consultation was undertaken during August and September which set out a series of options and asked for feedback on those options. In terms of the minimum contribution respondents felt people on CTR should pay, the responses were as follows:

- 17.5% people thought there should be no minimum amount that people on CTR have to pay and the council should make up the full £5.4million gap in funding;
- 26% of people thought that people on CTR should pay a minimum of 8.5% of their Council Tax and that the council should make up £4.1 million of the gap in funding ;
- 27% of people thought that people on CTR should pay a minimum of 25% of their Council Tax and that the council should make up £1.6million of the gap in funding; and
- 28% of people thought that people on CTR should pay a minimum of 35% of their Council Tax and that the council should not make up any of the shortfall in CTR funding

(these figures were based on gross amounts and did not account for fire and police contributions or collection rate)

3.15 The changes to CTR are one element of the government's welfare reform programme which relates specifically to Council Tax. However, issues of affordability, household income, the cost of living, other areas of welfare reform, the performance of the economy and availability of local work opportunities are all related.

3.16 In accordance with legislative requirements, the council published a draft scheme for the purpose of consultation in September 2014. The consultation was open for anyone to respond to but all recipients of CTR were invited to respond to the consultation on the draft scheme. Customers who are tenants of the council were sent copies of the Homing In magazine which contained the details and other CTR customers were written to.

Proposed Scheme for 2015/16

3.17 It is recommended that the following changes are made to the CTR scheme for 2015/16:

- that the maximum amount of capital a person can hold and still be able to claim CTR be reduced from £16,000 to £6,000
- that the amounts for non-dependant deductions, which are the amounts non-dependants are expected to contribute to the Council Tax, are doubled
- that Second Adult Rebate for working age people is ended

(These changes are described and set out in detail in the draft scheme, appendix 4).

3.18 It is recommended that no further changes are made to the council's CTR Scheme, in particular to the minimum contribution %, because of the impact it would have on those households in the city which are the least well off, particularly given the cumulative impact of welfare reforms, the cost of housing in the city and the wider cost of living. This would be funded through an increase of 5.9% in Council Tax (triggering a referendum) as proposed by the Administration.

3.19 The decision on CTR will be taken by Council in December 2014 in advance of the budget setting process. This means that the Substitute budget which must be put forward alongside a budget triggering a referendum cannot then include further changes to CTR in 2015/16. This means an alternative for approximately £1.7m of savings will need to be identified. This also impacts on any budget proposals with a threshold increase in Council Tax or a council tax freeze.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 There are a series of requirements prescribed by legislation which must be undertaken in order for a council to make changes to its CTR scheme. These requirements are:

- To consult any major precepting authority which has the power to issue a precept to it.
- Publish a draft scheme in such a manner as it sees fit; and
- Consult such other persons as it considers are likely to have an interest in the operation of the scheme.

4.2 A council may not make changes to its scheme unless these measures have been undertaken. Therefore, following the July 2014 Policy & Resources Budget and Corporate Plan preparation report, a programme of work was commenced to meet these requirements in order to enable members to make a decision about whether to make changes to the scheme.

4.3 One of the requirements listed above is to publish a draft scheme. Further to the funding position, the analysis of other authorities' schemes (appendix 3) and the responses to the informal consultation held in July and September, the council

published a draft scheme in September and ran formal consultation on the scheme, as per the last requirement in 4.1, until the end of October 2014.

4.4 A copy of the draft scheme is included in appendix 4

4.5 The key features of the draft scheme were:

- Changing the minimum contribution people of working age have to pay towards their Council Tax from 8.5% to 25% of their liability.
- Minimising the maximum detriment any household faces as a result of the first change to £5 per week for a year or until a change in circumstances.
- Changing the maximum amount of savings a person could hold from £16,000 to £6,000.
- Doubling the amount non-dependants are expected to contribute towards the Council Tax before CTR is paid.
- Removing Second Adult Rebate.
- Counting Child Benefit as an income when calculating CTR.
- To increase the earnings disregard for some Disabled people and carers by £10 per week.

4.6 Information received from the consultation and analysed as part of the EIA means the proposal to count Child Benefit as an income would no longer be recommended. This is because the proposal could only be implemented in such a way that a proportion of people who receive Child Benefit would be affected which would result in those people being more adversely affected by the changes when compared to people in similar circumstances.

4.7 A series of alternative options are set out in the table below which also sets out the level of savings each combination would result in and the remaining subsidy the council would have to supplement the scheme by after taking into account reductions in funding by government. These figures vary from those in the informal consultation because they exclude the fire and police precept elements of Council Tax and make allowances for collections rates. The figures also exclude the provision relating to Child Benefit for the reasons set out in 4.6.

(table 4.8)

alternative proposals			**additional resources generated for BHCC**					
minimum contribution	transitional protection minimising increases inclusive of CT rises to:	recommendation level of discretionary fund	from minimum contribution	max cost of transitional protection (dependent on CT rise)	cost of increase to discretionary fund	**total additional resources generated for BHCC**	remaining subsidy required	
8.5%			£0	£0	£0	**£0**	£3,864,000	*
15.0%	£2.50 pw	£150,000	£727,000	-£2,530	-£50,000	**£674,470**	£3,189,530	
25.0%	£5 pw	£200,000	£1,847,000	-£23,250	-£100,000	**£1,723,750**	£2,140,250	#

* current position
# draft scheme

4.8 The draft scheme also proposed changes which would have meant that some people in work would have been entitled to a greater amount of CTR than they would otherwise. When the CTR scheme was initially introduced the council increased the amount ignored from single people's earnings before it is counted for CTR. The proposals in section 4.5 proposed to extend these measures to disabled people and carers to provide some support from the change in minimum contribution. As such they have not now been included in the main recommendations but would be recommended should the minimum contribution have been increased. The cost of this provision would be approximately £17,000.

4.9 In changing a CTR scheme the council must consider whether transitional protection should be applied to people affected by the changes. Should a change to the minimum contribution have been recommended then transitional protection at the rates set out in table 4.8 would also have been recommended. It is not considered that this level of transitional protection is required for people affected by the changes set out in paragraph 3.17 because of the smaller number of people affected. This means that those individuals can be referred to and supported by the discretionary fund where they meet the criteria and as such transitional protection will be provided via this fund. Everyone affected by the changes will be written to and invited to apply so individual circumstances can be taken into account.

4.10 The informal consultation asked for opinions on whether the proposals which mean people in work would be better off should be extended to all groups including single people, couples and parents but there was not strong support for this. Other proposed measures to extend run on periods for people moving from benefits to work were not strongly supported and did not form a part of the proposals.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 The council is currently running a cross-cutting programme to understand and plan for the impacts of wider welfare reform led by the Head of City Services. The programme maintains ongoing links, and shares information with community and advice services and organisations. It also holds regular cross city meetings with a broader set of representatives, including private landlords.

5.2 As major precepting authorities the East Sussex Fire Authority and the Office of the Sussex Police and Crime Commissioner were consulted with prior to the draft scheme being published. East Sussex Fire Authority have expressed that the funding position they face is also difficult and has necessitated making some difficult choices and that any increase in the council taxbase would help mitigate reductions in grant funding, the need for further savings and therefore the impact this has on the services they provide. The Office of the Police & Crime Commissioner's response has been taken into account and there are no specific issues that need to be drawn to members' attention as part of this decision.

5.3 Informal consultation was undertaken following the commitment made in the July Policy and Resources budget report and although it was open to anyone to

respond members of the community and voluntary sector and advice sector were specifically contacted and invited to respond.

5.4 Formal consultation was undertaken between 25th September and 31st October. Tenants of the council were all sent a copy of Homing In magazine which directed people towards the consultation, other CTR recipients were written to and invited to apply. The respondents were invited to reply online but a phone number was provided which people could use to request paper versions of the consultation papers.

5.5 A summary of findings from the consultation is included in appendix 5, the main findings from consultation were:

- A significant majority of respondents disagreed with the proposals to increase the minimum contribution from 8.5% to 25% and to count Child Benefit in the assessment of CTR.
- 51% of people agreed that no one should face an increase of more than £5 per week as a result of a change to the minimum percentage
- A small majority of respondents disagreed with the proposals to end Second Adult Rebate; to double the amount of non-dependant deductions; and to reduce the amount of capital a person can hold and still claim CTR from £16,000 to £6,000
- A significant majority of people agreed that increasing earnings disregards for disabled people and carers would support them into or in work.

6. CONCLUSION

6.1 The recommendations in the report are formed on the basis of:

- Information from the first full year's operation of the scheme which show that the amounts being charged to recipients of CTR are being collected in line with planning expectations and that the vast majority of customers are engaging with the council about their Council Tax issues

- The council has ensured CTR recipients are supported in a number of ways, including the provision of budgeting support; pre-emptive help from the debt prevention team within Revenues and Benefits and the availability of a discretionary fund for people in exceptional circumstances. The council is continuing to provide finance and budgeting support through the recent commission of the community banking partnership – Moneyworks Brighton & Hove

- The informal consultation, which suggested that the majority of respondents felt it was reasonable that people in receipt of CTR make some contribution to their Council Tax.

- The formal consultation, which suggested that the majority of respondents felt the increase to 25% minimum contribution from 8.5% in one step was excessive.

6.2 The EIA and the formal consultation identified issues relating to inherent difficulties in the way the proposals for the treatment of Child Benefit included in the draft scheme would work.

6.3 The reduction in funding for CTR should not be seen in isolation. On the one hand for the council it is fundamentally related to broader budget decisions and priorities; and, on the other hand for recipients of CTR it is fundamentally related to the government's other welfare reforms, the cost of living, the performance of the economy and the availability of work.

6.4 Under the recommendations listed the council is meeting part of the cost of the reduction of CTR, which in practice means it is being supported by Council Tax and Business Rate payers in part, in addition to the remaining shortfall in funding being made up by working age recipients of CTR themselves.

7. FINANCIAL & OTHER IMPLICATIONS:

7.1 The proposed changes to the scheme set out in paragraph 3.17 will generate an additional £0.222 million resource through an increase in the Council Tax Base and this increase will be reflected in the Tax Base estimate for 2015/16, which will be reported to Policy & Resources Committee on the 22nd January 2015 and contribute towards the council's funding gap.

7.2 The council will maintain a discretionary fund of £0.1 million to support people in exceptional circumstances.

7.3 After allowing for this change the council will continue to subsidise the scheme by an estimated £3.9 million in 2015/16 when compared to the ongoing level of central government funding and this therefore contributes to the council's budget gap.

7.4 This is because 60% of the remaining funding for the CTR scheme (after allowing for an initial national 10% reduction) was transferred into Revenue Support Grant which was reduced by 18% in 2014/15 and will be reduced by a further 28% in 2015/16. The remaining 40% funding was transferred into Business Rates Retention funding and this will only increase by an estimated 3%.

7.5 Part of the costs of the scheme have been mitigated by falling numbers of claimants from approximately 27,300 in April 2013 to 25,400 in October 2014 however this has not kept pace with the scale of funding reductions.

7.6 The Budget Update and Savings report included on this agenda includes an option to increase the minimum contribution rate to 25% generating an additional £1.724 million, after allowing for an increase of £0.1 million to the discretionary fund. If the recommendation at paragraph 2.5.1 is agreed this option cannot form part of the budget proposals for 2015/16.

Finance Officer Consulted: James Hengeveld Date: 13/11/14

Legal Implications:

7.7 The recommendations at paragraph 2 of this report are consistent with the legal requirements governing the revision of its CTR scheme ('Scheme'), as set out in paragraph 4.1 above (reflecting the duties specified in paragraphs 3 and 5 of Schedule 1A to the Local Government Finance Act 1992).

7.8 Any revision to the Scheme, for implementation in 2015/16, must be made by 31 January 2015.

7.9 By section 67 of the 1992 Act, approval of the revised Scheme is reserved to full Council. It is appropriate for the draft Scheme to be considered first by Policy & Resources Committee, given its remit in relation to Council Tax and corporate budgetary matters, and to refer its recommendations on the revised Scheme to full Council.

Lawyer Consulted: Oliver Dixon Date: 04/11/14

Equalities Implications:

7.10 An EIA was undertaken on the changes in policy proposed in the draft scheme. A copy of this assessment is included in appendix 1

7.11 There is a current EIA which is in place for the scheme in its current form. This is a live document which is updated when new information is provided.

7.12 The findings from the EIA mean the council will:

- continue to provide clear and targeted information to community and voluntary sector organisations that support groups with protected characteristics.
- Continue to provide a discretionary fund and to signpost customers to this fund, including promoting its availability
- Ensure there is advice available in the city for people on CTR who need assistance with budgeting and finance.
- Provide training to providers of advice on the availability of other Council Tax discounts and exemptions.

Sustainability Implications:

7.13 No sustainability implications have been identified relating to this area.

Any Other Significant Implications:

7.14 No other significant implications have been identified relating to this area.

SUPPORTING DOCUMENTATION

Appendices:

1. Equalities Impact Assessment
2. Submission to the Independent Commission on Local Government Finance
3. Information about other Local Authority CTR schemes
4. Draft CTR scheme
5. Summary of formal consultation

Documents in Members' Rooms

1. None

Background Documents

1. None

Title of EIA (should clearly explain what you are assessing)	Council Tax Reduction scheme 2015/16	**ID No.**	
Team/Department	Welfare Reform – Finance and Resources		
Focus of EIA	The focus of this EIA is the impact of what the proposed changes to the CTR scheme from April 2015 would mean for recipients of Council Tax Reduction. The government is continuing to reduce the funding available to councils to pay for people on a low income to get help with their council tax. A proposed draft scheme for Council Tax Reduction (CTR) has been published which would meet part of the reduction in funding. These changes only affect working age people. Pensioners are assessed under national rules and are out of scope for this assessment. The changes in the draft scheme would affect all people of working age who claim CTR in 2015/16 if the proposals are approved The proposed changes would mean most working age people in receipt of CTR would have to pay more Council Tax next year. The specific proposals are to: • increase the minimum amount people on CTR have to pay from 8.5% to 25%; For a person on Job Seekers Allowance in a band A property this would mean a person currently pays £1.67 per week and they would have to pay £4.91 per week. For current claimants any increase in the amount to pay will be limited to £5 per week • reduce the amount of savings a person can claim and be entitled to CTR from £16,000 to £6,000; • To count Child Benefit as an income in the assessment of CTR; • To remove Second Adult Rebate • To double the amount non-dependants are expected to contribute towards Council Tax before		

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	CTR is paid • To increase the earnings disregard (the amount of weekly earnings ignored as income when calculating a CTR entitlement) for some disabled people and some carers For the people affected by these changes this would mean they would have to pay a higher amount of Council Tax then they do now. Since the introduction of CTR the Revenues and Benefits team have run a specific debt prevention team which is designed to work with people before they accrue arrears in order to prevent further costs. The team also administers a discretionary fund which can provide a short term increase in the amount of CTR a person receives to help them through a particularly difficult time. Additionally the council has contracted a money advice service so that customers with budgeting issues can receive independent advice and assistance with their financial issues.

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Consider:

- How to avoid, reduce or minimise negative impact (if you identify unlawful discrimination, including victimisation and harassment, you must stop the action and take advice immediately).
- How to promote equality of opportunity. This means the need to:
  - Remove or minimise disadvantages suffered by equality groups
  - Take steps to meet the needs of equality groups
  - Encourage equality groups to participate in public life or any other activity where participation is disproportionately low
  - Consider if there is a need to treat disabled people differently, including more favourable treatment where necessary
- How to foster good relations between people who share a protected characteristic and those who do not. This means:
  - Tackle prejudice
  - Promote understanding

	Summary of data[1] about your service-users and/or staff	**Summary of service-user and/or staff feedback[2]**	**Impacts identified from data and feedback (actual and potential)[3]**	**All potential actions to:** • **advance equality of opportunity,** • **eliminate discrimination, and** • **foster good relations** (You will prioritise these below in section 2)
Age (people of all ages)	The following breaks down the age of the primary claimant (not partner) of working age CTR claims [16-18] 18 [19-21] 223 [22-25] 802 [25-34] 2923 [35-44] 4433 [45-54] 4979	During the original CTR process in 2012 single people under the age of 25 were identified as being particularly sensitive to reductions in rates of support because of the generally lower amounts of all benefits they receive compared with older people. Some of these reduced amounts have since been	All customers of working age will have to pay more Council Tax Single people under 25 face losing a higher % of their overall income because	To address the issue with people under 25 talk to CVS agencies that support this group and to consider this position when making decisions on the discretionary fund. Specific work will be done to look at whether the potential

[1] 'Data' may be monitoring, customer feedback, equalities monitoring, survey responses…
[2] Either ongoing links with community and voluntary groups, service-user groups, staff forums; or one-off engagement sessions you have run.
[3] If data or engagement are missing and you can not define impacts then your action will be to take steps to collect the missing information.

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	[55-64] 2659 The following breaks down the age range of partners of claimants [0-15] 1 [16-18] 3 [19-21] 41 [22-25] 145 [25-34] 739 [35-44] 863 [45-54] 677 [55-64] 311 Additionally 6201 case have a total of 10779 dependent children in the household up to 19 years of age.	extended to single people who are under 35. During a process of informal consultation held about CTR in 2014 many respondents suggested the scheme should be extended to pensioners to reduce the burden of working age people. CTR for pensioners is set according to national rules and the council cannot alter them.	they receive less benefits overall than others.	impacts of young people previously raised have happened or not and this EIA updated accordingly Informal consultation has been undertaken with the community and voluntary sector to help shape the proposals and to disseminate information about the possible changes Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing information to organisations which support people with protected characteristics. Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need.

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				Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of Council Tax, budgeting and moving towards work.

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	Summary of data[1] about your service-users and/or staff	Summary of service-user and/or staff feedback[1]	Impacts identified from data and feedback (actual and potential)[1]	All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
Disability (a person is disabled if they have a physical or mental impairment which has a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities[1])	There are 5,202 CTR claims where a member of the household is in receipt of a benefit paid to disabled people (Disability Living Allowance; Personal Independence Payments; Severe Disablement Allowance)	The provision to increase the earnings disregard for some Disabled people will mean they will lose less CTR than they otherwise would In response to informal consultation some people expressed that they did not think it was fair any Disabled people pay any of their Council Tax.	All customers in this group will have to pay more Council Tax	Raise the profile of the increased earnings disregard by talking directly with CVS agencies that work with Disabled people. Additionally to inform agencies who work helping people to get back to work. Informal consultation has been undertaken with the community and voluntary sector to help shape the proposals and to disseminate information about the possible changes Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing information to organisations which support people

[1] The definition includes: sensory impairments, impairments with fluctuating or recurring effects, progressive, organ specific, developmental, learning difficulties, mental health conditions and mental illnesses, produced by injury to the body or brain. Persons with cancer, multiple sclerosis or HIV infection are all now deemed to be disabled persons from the point of diagnosis.

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	Summary of data[1] about your service-users and/or staff	Summary of service-user and/or staff feedback[1]	Impacts identified from data and feedback (actual and potential)[1]	All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
				with protected characteristics. Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need. Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of Council Tax, budgeting and moving towards work.
Gender reassignment (a transsexual person is someone who proposes to, starts or has completed a process to change his or her gender. A person does	This information is not available at a case level (although it is requested).	The Trans Scrutiny work undertaken by the council and partners identified that Trans people are more likely to be unemployed (because of discrimination) and therefore to be on low incomes	All customers in this group will have to pay more Council Tax	Informal consultation has been undertaken with the community and voluntary sector to help shape the proposals and to disseminate information about the possible changes Specific outreach work will be undertaken with specific community and voluntary sector organisations that support Trans people to ensure

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	Summary of data[1] about your service-users and/or staff	Summary of service-user and/or staff feedback[1]	Impacts identified from data and feedback (actual and potential)[1]	All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
not need to be under medical supervision to be protected)				these issues are communicated clearly and that the availability of advice and discretionary funds are well known. Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing information to organisations which support people with protected characteristics. Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need. Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of Council Tax, budgeting and

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	Summary of data[1] about your service-users and/or staff	Summary of service-user and/or staff feedback[1]	Impacts identified from data and feedback (actual and potential)[1]	All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
				moving towards work.
Pregnancy and maternity (protection is during pregnancy and any statutory maternity leave to which the woman is entitled)	There are currently 926 children under one year of age in households where CTR is claimed.	No specific issues identified or raised by community in informal consultation	All customers in this group will have to pay more Council Tax	Informal consultation has been undertaken with the community and voluntary sector to help shape the proposals and to disseminate information about the possible changes Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing information to organisations which support people with protected characteristics.

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	Summary of data[1] about your service-users and/or staff	Summary of service-user and/or staff feedback[1]	Impacts identified from data and feedback (actual and potential)[1]	All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
				Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need. Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of Council Tax, budgeting and moving towards work.
Race (this includes ethnic or national origins, colour or nationality, and includes refugees and migrants; and Gypsies and Travellers)	Arab 0.54% Asian or Asian British: Bangladeshi 0.79% Asian or Asian British: Indian 0.35% Asian or Asian British: Pakistani 0.19% Asian or British : Any other Backgrond 1.87% Black-Black 2.22%	No specific issues identified or raised by community in informal consultation	All customers in this group will have to pay more Council Tax	Informal consultation has been undertaken with the community and voluntary sector to help shape the proposals and to disseminate information about the possible changes Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether

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	Summary of data[1] about your service-users and/or staff	Summary of service-user and/or staff feedback[1]	Impacts identified from data and feedback (actual and potential)[1]	All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
	British:African 0.63% Black-Black British:Caribbean 0.16% Black-Black British:Other 0.28% Chinese 0.06% Gypsy/Traveller 1.01% Mixed :Any other mixed background 0.60% Mixed: White and Asian 1.27% Mixed: White and Black African 0.95% Mixed: White and Black Caribbean 9.50% White: Any other White background 78.06% White: British 1.52% White: Irish			that is through 121 conversations or translations. This will include providing information to organisations which support people with protected characteristics. Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need. Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of Council Tax, budgeting and moving towards work.

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	Summary of data[1] about your service-users and/or staff	Summary of service-user and/or staff feedback[1]	Impacts identified from data and feedback (actual and potential)[1]	All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
Religion or belief (religion includes any religion with a clear structure and belief system. Belief means any religious or philosophical belief. The Act also covers lack of religion or belief.)	Case level information on religious belief is not held. The following data is from the 2011 Census. There is no reason at present to expect the distribution to vary significantly from the distribution of CTR claimants Christian 42.90% Muslim 2.20% Buddhist 1.00% Jewish 1.00% Hindu 0.70% Sikh 0.10% Other religion 0.90% No Religion 42.40% Religion not stated 8.80%	No specific issues identified or raised by community in informal consultation	All customers in this group will have to pay more Council Tax	Informal consultation has been undertaken with the community and voluntary sector to help shape the proposals and to disseminate information about the possible changes Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing information to organisations which support people with protected characteristics. Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of Council Tax, budgeting and

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	Summary of data[1] about your service-users and/or staff	Summary of service-user and/or staff feedback[1]	Impacts identified from data and feedback (actual and potential)[1]	All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
				moving towards work.
Sex/Gender (both men and women are covered under the Act)	6,654 cases where the claimant is male 9,281 cases where the claimant is female 1,429 cases where the partner is male 1,357 cases where the partner is female	Changes to the way Child Benefit is counted would have impacted on 1,255 families where the parents are in an opposite sex relationship; 6 where the parents are in a same sex relationship (in all cases lesbian couples). The change would affect 1,961 single parents of which 1,846 are women and 98 are men.	All customers in this group will have to pay more Council Tax The changes to Child Benefit would affect some single parents, most of whom are female	To address the issue of people affected by the changes to the treatment of Child Benefit talk to CVS agencies that work with working single parents and women Informal consultation has been undertaken with the community and voluntary sector to help shape the proposals and to disseminate information about the possible changes Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include

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	Summary of data[1] about your service-users and/or staff	Summary of service-user and/or staff feedback[1]	Impacts identified from data and feedback (actual and potential)[1]	All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
				providing information to organisations which support people with protected characteristics. Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need. Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of Council Tax, budgeting and moving towards work. The minimum contribution a person must pay is based upon their net Council Tax liability after other statutory discounts have been applied. As such the single parents affected by this change are entitled to claim an initial 25% discount from their bill which is not subject to a means test.

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	Summary of data[1] about your service-users and/or staff	Summary of service-user and/or staff feedback[1]	Impacts identified from data and feedback (actual and potential)[1]	All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
Sexual orientation (the Act protects bisexual, gay, heterosexual and lesbian people)	Records are held where same sex couples claim together, there are 151 claims from couples in a same sex relationship and 4848 claims from couples in a different sex relationship	No specific issues identified or raised by community in informal consultation	All customers in this group will have to pay more Council Tax	Informal consultation has been undertaken with the community and voluntary sector to help shape the proposals and to disseminate information about the possible changes Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing information to organisations which support people with protected characteristics. Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need. Ensure there is availability of advice

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	Summary of data[1] about your service-users and/or staff	Summary of service-user and/or staff feedback[1]	Impacts identified from data and feedback (actual and potential)[1]	All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
				within the city so people can receive help dealing with benefits, payment of Council Tax, budgeting and moving towards work.
Marriage and civil partnership (only in relation to due regard to the need to eliminate discrimination)	This data is not specifically held however there are 2,786 claims where a claimant has a partner	No specific issues identified or raised by community in informal consultation	All customers in this group will have to pay more Council Tax	Informal consultation has been undertaken with the community and voluntary sector to help shape the proposals and to disseminate information about the possible changes Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing information to organisations which support people with protected characteristics. Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult

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	Summary of data[1] about your service-users and/or staff	Summary of service-user and/or staff feedback[1]	Impacts identified from data and feedback (actual and potential)[1]	All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
				circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need. Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of Council Tax, budgeting and moving towards work.
Community Cohesion (what must happen in all communities to enable different groups of people to get on well together.)	The distribution of CTR claims for working age people by ward is as follows EAST BRIGHTON 1615 QUEEN'S PARK 1441 ST.PETER'S & NORTH LAINE 1234 MOULSECOOMB & BEVENDEAN 1233 HOLLINGDEAN & STANMER 1105 HANGLETON & KNOLL 912	No specific issues identified or raised by community in informal consultation	The distribution of impact across the City is not equal and reflects the relative socio-economic status of the different wards.	This information will be fed into the work of the economic regeneration team. CVS agencies who work in the most affected wards will be specifically briefed. The Financial Inclusion commission undertaken by the Policy and Communities team, which commissioned Moneyworks Brighton and Hove, undertook a detailed needs analysis of financial need in the city. This analysis was conducted against protected characteristic and by place. As a result services provided by Moneyworks Brighton & Hove have specifically been commissioned to be provided in the

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	Summary of data[1] about your service-users and/or staff	Summary of service-user and/or staff feedback[1]	Impacts identified from data and feedback (actual and potential)[1]	All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
	HANOVER & ELM GROVE 912 GOLDSMID 838 BRUNSWICK & ADELAIDE 673 REGENCY 616 CENTRAL HOVE 599 NORTH PORTSLADE 567 SOUTH PORTSLADE 551 PRESTON PARK 526 PATCHAM 521 WESTBOURNE 512 WOODINGDEAN 476 WISH 429 ROTTINGDEAN COASTAL 394 WITHDEAN 387 HOVE PARK 172			areas of greatest financial need as reflected in the accompanying ward information.

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	Summary of data[1] about your service-users and/or staff	Summary of service-user and/or staff feedback[1]	Impacts identified from data and feedback (actual and potential)[1]	All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
Other relevant groups eg: Carers, people experiencing domestic and/or sexual violence, substance misusers, homeless people, looked after children, ex-armed forces personnel etc	1,210 Carers Looked after children	No specific issues identified or raised by community in informal consultation	All customers in this group will have to pay more Council Tax Children to whom the authority is parent are protected when they leave care through automatic access to the discretionary fund.	Raise the profile of the increased earnings disregard by talking directly with CVS agencies that work with carers. Additionally to inform agencies who work helping people to get back to work. The Revenues and Benefits team will continue to pro-actively consider children who left care for the discretionary fund. Children who have been looked after by the local authority are specifically helped to apply for the discretionary fund if they are on benefits once they are of such an age they become liable for Council Tax. Informal consultation has been undertaken with the community and voluntary sector to help shape the proposals and to disseminate information about the possible changes Ensure the provision of clear communications about the change

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	Summary of data[1] about your service-users and/or staff	Summary of service-user and/or staff feedback[1]	Impacts identified from data and feedback (actual and potential)[1]	All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
				so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing information to organisations which support people with protected characteristics. Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need. Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of Council Tax, budgeting and moving towards work.

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	Summary of data[1] about your service-users and/or staff	Summary of service-user and/or staff feedback[1]	Impacts identified from data and feedback (actual and potential)[1]	All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
Cumulative impact (this is an impact that appears when you consider services or activities together. A change or activity in one area may create an impact somewhere else)	The reduction in funding for CTR should not be seen in isolation. For recipients of CTR it is fundamentally related to the government's other welfare reforms, the cost of living, the performance of the economy and the availability of work.	Some responses to consultation has fed back that benefit increases beneath the rate of inflation and increasing commodity bills mean that demands on limited incomes are increasing.	The CTR caseload has reduced, reflecting national trends and the economic cycle.	Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of Council Tax, budgeting and moving towards work. Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing information to organisations which support people with protected characteristics. Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need.

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	Summary of data[1] about your service-users and/or staff	Summary of service-user and/or staff feedback[1]	Impacts identified from data and feedback (actual and potential)[1]	All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations

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2. Prioritised Action Plan:
NB: These actions must now be transferred to service or business plans.

Specific action	Evidence of progress / milestones	Lead officer	Timeframe
Informal consultation has been undertaken with the community and voluntary sector to help shape the proposals and to disseminate information about the possible changes		Welfare Reform Programme Manager	Done July Aug 2014
Ensure the provision of clear communications about the change so people have time to prepare. This will include making information available according to need whether that is through 121 conversations or translations. This will include providing specifically targeted and tailored information for specific groups to organisations which support people with protected characteristics.		Welfare Reform Programme Manager	Initially by 31st March 2015. Then on an ongoing basis
Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances.		Head of Revenues & Benefits	Ongoing
Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of Council Tax, budgeting and moving towards work.		Welfare Reform Programme Manager	Review of advice provision to be completed by February 2015
Ensure staff and advice services are skilled to advise people on the other statutory Council Tax discounts customers may be entitled to which would help mitigate some of the impacts of the CTR minimum contribution and other measures. These include the discounts of 25%	The council's Welfare Rights team train other council staff providers of advice in the City on a number of subjects including Council Tax Reduction and other discounts	Welfare Reform Programme Manager	Ongoing

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available for single occupants and the 100% discount which is referred to in legislation as being for people who are severely mentally impaired.			
Review the impact the scheme on single people under 25 by levels of arrears and update this EIA and actions		Welfare Reform Programme Manager	April 2015
Review take up of the discretionary scheme by protected characteristic and update this EIA and actions		Welfare Reform Programme Manager	April 2015

EIA sign-off: (to be final this section must be signed and the Publication Template completed – see Section 3 below)

Lead Equality Impact Assessment officer: **Date:**

Directorate Management Team rep: **Date:**

Communities and Equality Team officer: **Date:**

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Introduction

The council along with other local authorities is experiencing significant grant reductions resulting in substantial savings needing to be made across council services. This submission from Brighton & Hove City Council focusses on 3 key areas which demonstrate the difficulties and unfairness of the current finance system depending on the individual circumstances of a council and its demography.

The Council Tax Reduction scheme, Housing Benefit Administration and Concessionary Fares are examples of services the council has to provide. Both Council Tax reduction and Concessionary Fares are statutory responsibilities required by government where government funding has been rolled into Revenue Support Grant (RSG) and Business Rates Retained (BRR). In both cases the initial new burden funding allocations rolled in have been lower than the full cost being transferred leading to a first year shortfall. This shortfall is being compounded each year by the fact that the combined net resources from RSG and BRR are diminishing dramatically without any, or limited, ability to change the scope of the ongoing cost of these services. In addition Housing Benefit administration is funded from a specific unringfenced grant that does not meet the cost of the service.

The combined shortfall from these 3 examples is £10.2m in 2014/15 rising to an estimated £22.9m by 2019/20. The impact of this funding shortfall is that the underlying reduction in combined RSG and BRR is much greater than the headline figure as some services costs cannot statutorily be reduced.
This means that councils need to achieve greater savings from an increasingly limited element of the budget. In particular this includes adult and children's social care services which accounts for a large proportion of the councils spend and where costs are increasing due to demand.

1 Council Tax Reduction (CTR) - The transfer from Council Tax Benefit (CTB) to CTR through function and funding changes.

From 1st April 2013 government transferred the CTB funding to cover CTR discounts into RSG and the Business Rates baseline net of a national 10% reduction.

With 60% of funding being transferred into RSG this element of the funding is subject to the substantial year on year funding reductions. This is mitigated in part by the growth in the councils share of business rates but even after allowing for this growth, the level of resources transferred and the impact of the reductions in RSG over time, there is a considerable gap in resources for this new burden placed on councils.

Table 1 below shows how the anticipated funding overall for CTR decreases against the anticipated spend (RSG element diminishes and the business rates increases)

TABLE 1 – Forecast of CTR funding to 2019/20

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m	£m	£m	£m	£m
CTR awarded [a]	24.534	22.351	22.019	22.459	22.908	23.366	23.833	24.310
Estimate of BHCC share	20.890	19.086	18.804	19.180	19.563	19.954	20.353	20.760
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Funding for CTR:	£m	£m	£m	£m	£m	£m	£m	£m
RSG - 60% [b]		11.306	9.237	6.618	4.667	3.095	1.647	0.309
Business Rates - 40% [c]		7.521	8.210	8.478	8.648	8.661	8.972	9.305
Total CTR funding	20.890	18.827	17.447	15.096	13.315	11.756	10.619	9.614
Anticipated shortfall in CTR funding		0.259	1.357	4.084	6.248	8.198	9.734	11.146
Funding as % of BHCC share of CTR	**100.0%**	**98.6%**	**92.8%**	**78.7%**	**68.1%**	**58.9%**	**52.2%**	**46.3%**

Notes:

a) *Anticipated spend in future years assumes a 2% council tax increase but no change in demand;*
b) *RSG funding diminishes in line with the forecast total RSG funding decrease;*
c) *CTR initial funding represented 14.56% of the business rates baseline funding level in 2013/14. Therefore future years have been based on 14.56% of the forecast business rates figure (includes top up grant and s31 business rates grants).*

The table demonstrates that by 2019/20 the shortfall in funding for this new burden will be £11.1m.

In addition to the shortfall in resources, those claimants that are of pensionable age are fully protected and are not subject to a minimum contribution (currently 8.5% for working age claimants). Therefore the total cost of pensionable claimants CTR are a fixed commitment out of the available funding.

Table 2 below is based on Table 1 information and shows the CTR liability split between pensionable and working age claimants. The available funding is applied to the protected pensionable claimants first with the remaining resources available for the working age liability.

TABLE 2 – Forecast of CTR funding with pensionable protected at 100% to 2019/20

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m	£m	£m	£m
Estimate of BHCC share of pensionable	7.634	7.522	7.672	7.825	7.982	8.141	8.304
Estimate of BHCC share of working age @ 8.5%	11.452	11.282	11.508	11.738	11.972	12.212	12.456
Total Estimate of BHCC share	**19.086**	**18.804**	**19.180**	**19.563**	**19.954**	**20.353**	**20.760**
Funding from government for 'protected' pensionable	7.634	7.522	7.672	7.825	7.982	8.141	8.304
Therefore funding left for working age	11.193	9.925	7.424	5.490	3.774	2.478	1.310
% Funding of BHCC share - pensionable	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
% Funding of BHCC share - working age	**97.7%**	**88.0%**	**64.5%**	**46.8%**	**31.5%**	**20.3%**	**10.5%**

Table 2 demonstrates that the new burden of CTR, taking into account the protected pensionable claimants, will leave only £1.3m resources against a liability of working age claimants of £12.4m. This means that if the council were to amend the local scheme to be cost neutral with the funding provided for the new burden, the minimum contribution would need to be 90% instead of the current 8.5% and would no longer support those in need.

Conclusion

The transfer of the funding of the new burden of CTR to local authorities through RSG creates a significant year on year pressure that cannot reasonably be mitigated by increasing the minimum contribution level of working age claimants. The protection of pensioner claimants has not been appropriately funded by government as the council has no powers to vary their level of CTR.

The shortfall in funding for this one new burden is so significant it has a substantial effect on the council's resource position with very limited options to mitigate it. This therefore leads to higher savings needing to be made in other areas across the council.

…

Other single tier Authorities approach to CTR

minimum payment level	**Unitary Authorities**	Inner London	Outer London	Met County
0%	**4**	5	1	3
1 to 10%	**6**	2	4	6
11 - 15%	**2**	3	4	4
16 - 20%	**21**	3	5	9
21 - 25%	**14**	-	-	4
26% - 30%	**4**	-	2	4
other measures	**5**	1	3	6
totals	**56**	14	19	36

Unitary Authorities

Local Authority	minimum payment level 13 14	minimum payment level 14 15	CTR entitlement reduced by other measures?	Savings limit	Other benefits counted as income?	Second adult rebate reduced or abolished?	Changes made to non-dependent deductions?	Support restricted to a particular council tax band?	Council Tax band support is restricted to	Taper rate	Changes made to backdating rules?	Changes made to conditions around starting work?	Hardship fund
Bristol, City of	0.00%	0.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
County Durham	0.00%	0.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Isles of Scilly	0.00%	0.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Northumberland	0.00%	0.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Bracknell Forest	8.50%	8.50%		£16,000	No	Yes	No	No	N/A	0.21	Yes	No	Yes
Brighton and Hove	8.50%	8.50%		£16,000	No	No	No	No	N/A	0.2	No	Yes	Yes
North Lincolnshire	8.50%	8.50%		£16,000	No	No	No	No	N/A	0.2	No	No	Yes
Poole	8.50%	8.50%		£16,000	No	No	No	No	N/A	0.2	No	No	Yes
West Berkshire	8.50%	10.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Windsor and Maidenhead	8.50%	10.00%		£16,000	No	No	No	No	N/A	0.25	No	No	No
Hartlepool	8.50%	12.00%		£16,000	No	Yes	Yes	No	N/A	0.2	Yes	Yes	Yes
Reading	15.00%	15.00%		£6,000	No	Yes	No	No	N/A	0.2	No	No	Yes
Herefordshire, County of	8.50%	16.00%		£16,000	No	Yes	No	Yes	D	0.2	No	No	No
North East Lincolnshire	8.50%	17.00%		£16,000	No	No	No	No	N/A	0.2	No	No	Yes
Blackburn with Darwen	20.00%	20.00%		£16,000	No	No	No	No	N/A	0.2	No	No	Yes

Bournemouth	20.00%	20.00%	£16,000	No	Yes	No	No	N/A	0.2	No	No	Yes
Cheshire East	20.00%	20.00%	£10,000	No	Yes	Yes	Yes	D	0.2	Yes	Yes	No
Darlington	20.00%	20.00%	£16,000	No	Yes	No	No	N/A	0.2	Yes	Yes	Yes
Derby	20.00%	20.00%	£6,000	No	Yes	No	Yes	B	0.2	No	No	Yes
Isle of Wight	8.50%	20.00%	£16,000	No	Yes	No	No	N/A	0.2	No	No	No
Hull	8.50%	20.00%	£16,000	No	Yes	No	No	N/A	0.2	No	No	No
Leicester	20.00%	20.00%	£16,000	No	Yes	No	Yes	B	0.2	No	No	Yes
Middlesbrough	20.00%	20.00%	£16,000	No	Yes	No	No	N/A	0.2	No	Yes	No
Milton Keynes	20.00%	20.00%	£6,000	No	Yes	No	No	N/A	0.2	No	Yes	Yes
Nottingham	8.50%	20.00%	£16,000	No	Yes	No	No	N/A	0.2	No	No	No
Plymouth	25.00%	20.00%	£6,000	No	Yes	No	Yes	E	0.2	No	No	No
Portsmouth	20.00%	20.00%	£16,000	No	No	Yes	No	N/A	0.25	Yes	Yes	Yes
Redcar and Cleveland	20.00%	20.00%	£16,000	No	Yes	No	No	N/A	0.2	Yes	No	No
Slough	20.00%	20.00%	£16,000	Yes	Yes	No	Yes	C	0.2	Yes	No	Yes
South Gloucestershire	0.00%	20.00%	£6,000	Yes	Yes	Yes	No	N/A	0.2	No	Yes	No
Stockton-on-Tees	20.00%	20.00%	£16,000	No	Yes	No	No	N/A	0.2	No	Yes	No
Swindon	20.00%	20.00%	£6,000	Yes	Yes	Yes	Yes	D	0.2	No	No	No
Wiltshire	20.00%	20.00%	£10,000	No	Yes	Yes	No	N/A	0.15	Yes	No	No
Telford and Wrekin	21.00%	21.00%	£6,000	No	Yes	No	No	N/A	0.2	Yes	No	Yes
Halton	21.60%	21.60%	£16,000	No	No	No	No	N/A	0.2	No	No	Yes
Bath and NE Somerset	22.00%	22.00%	£10,000	Yes	Yes	Yes	Yes	D	0.2	Yes	No	No
North Somerset	22.00%	24.50%	£16,000	Yes	No	Yes	No	N/A	0.2	No	No	No
Central Bedfordshire	25.00%	25.00%	£16,000	No	Yes	Yes	No	N/A	0.2	No	Yes	Yes
Cheshire West and	25.00%	25.00%	£6,000	No	Yes	Yes	Yes	D	0.2	Yes	Yes	Yes

Chester													
Cornwall	25.00%	25.00%		£6,000	No	Yes	No	Yes	D	0.2	Yes	No	Yes
East Riding of Yorkshire	25.00%	25.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Medway	25.00%	25.00%		£16,000	No	Yes	Yes	No	N/A	0.2	No	No	No
Rutland	25.00%	25.00%		£10,000	No	Yes	Yes	Yes	D	0.25	No	No	Yes
Southampton	8.50%	25.00%		£16,000	No	No	No	No	N/A	0.25	No	No	Yes
Southend-on-Sea	25.00%	25.00%		£6,000	No	Yes	No	No	N/A	0.2	No	No	Yes
Thurrock	25.00%	25.00%		£6,000	No	Yes	No	No	N/A	0.2	No	Yes	No
Torbay	25.00%	25.00%		£6,000	No	Yes	No	No	N/A	0.2	No	No	Yes
Blackpool	27.10%	27.10%		£16,000	No	Yes	No	No	N/A	0.2	Yes	Yes	Yes
Peterborough	30.00%	30.00%		£16,000	No	No	No	No	N/A	0.2	No	Yes	No
Stoke-on-Trent	30.00%	30.00%		£6,000	No	Yes	Yes	Yes	D	0.2	No	Yes	Yes
York	30.00%	30.00%		£16,000	No	Yes	No	No	N/A	0.2	No	Yes	No
Bedford	NA	NA	y	£8,000	No	Yes	Yes	Yes	E	0.2	No	No	No
Luton	NA	NA	y	£16,000	No	Yes	No	No	N/A	0.2	No	No	No
Shropshire	NA	NA	y	£10,000	Yes	Yes	Yes	No	N/A	0.2	No	No	No
Warrington	NA	NA	y	£16,000	No	No	No	Yes	A	0.2	No	No	No
Wokingham	NA	NA	y	£16,000	No	Yes	No	No	N/A	0.25	Yes	Yes	Yes

Inner London Authorities

Local Authority	minimum payment level 13 14	minimum payment level 14 15	CTR entitlement reduced by other measures?	Savings limit	Other benefits counted as	Second adult rebate reduced or abolished?	Changes made to non-dependent deductions?	Support restricted to a particular council tax band?	Council Tax band support is restricted to	Taper rate	Changes made to backdating rules?	Changes made to conditions around starting work?	Hardship fund
City of London	0.00%	0.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Hammersmith and Fulham	0.00%	0.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Kensington and Chelsea	0.00%	0.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Tower Hamlets	0.00%	0.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Westminster	0.00%	0.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Camden	8.50%	8.50%		£16,000	No	Yes	Yes	No	N/A	0.2	No	Yes	No
Islington	8.50%	8.50%		£16,000	No	No	No	No	N/A	0.2	No	No	Yes
Lewisham	14.80%	14.80%		£16,000	No	Yes	No	No	N/A	0.2	No	No	Yes
Hackney	15.00%	15.00%		£16,000	No	Yes	No	No	N/A	0.2	No	No	No
Southwark	15.00%	15.00%		£16,000	No	Yes	No	No	N/A	0.2	No	No	No
Lambeth	15.86%	15.86%		£16,000	No	Yes	Yes	No	N/A	0.25	No	No	No
Haringey	19.80%	19.80		£10,000	No	No	No	No	N/A	0.2	Yes	No	No

Newham	20.00%	% 20.00 %		£16,000	No	Yes	Yes	No	N/A	0.2	Yes	No	No
Wandsworth	NA	NA	y	£16,000	No	Yes	No	No	N/A	0.2	Yes	No	No

Met County Authorities

Local Authority	minimum payment level 13 14	minimum payment level 14 15	CTR entitlement reduced by other measures?	Savings limit	Other benefits counted as income?	Second adult rebate reduced or abolished?	Changes made to non-dependent deductions?	Support restricted to a particular council tax band?	Council Tax band support is restricted to	Taper rate	Changes made to backdating rules?	Changes made to conditions around starting work?	Hardship fund
Coventry	0.00%	0.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Solihull	0.00%	0.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Walsall	0.00%	0.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
North Tyneside	7.00%	7.00%		£16,000	No	Yes	Yes	No	N/A	0.2	No	No	No
Liverpool	8.50%	8.50%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Rotherham	8.50%	8.50%		£16,000	No	Yes	No	No	N/A	0.2	No	No	No
Gateshead	8.50%	8.50%		£16,000	No	Yes	Yes	No	N/A	0.2	No	Yes	Yes
Sunderland	8.50%	8.50%		£16,000	No	Yes	Yes	No	N/A	0.2	No	No	No
Dudley	0.00%	8.50%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Salford	8.50%	12.00%		£16,000	No	Yes	Yes	No	N/A	0.25	Yes	No	Yes
Wolverhampton	8.50%	12.00%		£6,000	No	Yes	No	Yes	C	0.23	Yes	No	Yes
Manchester	8.50%	15.00%		£16,000	No	Yes	No	No	N/A	0.2	No	No	Yes

Barnsley	15.00%	15.00%		£16,000	No	Yes	No	No	N/A	0.2	No	No	No
Calderdale	0.00%	19.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Oldham	25.00%	20.00%		£16,000	No	Yes	No	Yes	A	0.2	No	No	No
Tameside	20.00%	20.00%		£16,000	No	Yes	No	Yes	B	0.2	No	Yes	Yes
Wigan	20.00%	20.00%		£12,000	No	Yes	No	No	N/A	0.2	Yes	No	Yes
Knowsley	20.00%	20.00%		£16,000	No	Yes	Yes	No	N/A	0.2	Yes	No	Yes
Sefton	20.00%	20.00%		£6,000	No	Yes	Yes	No	N/A	0.2	No	No	Yes
St. Helens	20.00%	20.00%		£16,000	No	Yes	No	Yes	D	0.2	No	No	No
Newcastle upon Tyne	8.50%	20.00%		£16,000	No	Yes	Yes	No	N/A	0.2	No	Yes	No
Birmingham	20.00%	20.00%		£16,000	No	No	No	No	N/A	0.2	Yes	No	Yes
Wirral	22.00%	22.00%		£6,000	No	Yes	Yes	No	N/A	0.2	Yes	No	No
Sheffield	23.00%	23.00%		£16,000	No	Yes	No	No	N/A	0.2	No	No	Yes
Rochdale	25.00%	25.00%		£16,000	No	Yes	Yes	Yes	A	0.3	Yes	No	No
Bradford	25.00%	25.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Leeds	19.00%	26.00%		£16,000	No	Yes	No	No	N/A	0.2	No	No	No
Kirklees	29.00%	29.00%		£16,000	No	Yes	No	No	N/A	0.2	No	No	No
South Tyneside	30.00%	30.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Wakefield	30.00%	30.00%		£16,000	No	Yes	Yes	No	N/A	0.2	No	Yes	No
Bolton	NA	NA	y	£6,000	Yes	Yes	No	Yes	D	0.2	Yes	No	No
Bury	NA	NA	y	£10,000	No	Yes	Yes	Yes	B	0.2	Yes	No	No
Stockport	NA	NA	y	£8,000	No	Yes	Yes	Yes	A/B	0.2	Yes	No	Yes
Trafford	NA	NA	y	£16,000	Yes	Yes	No	Yes	D	0.3	Yes	Yes	Yes
Doncaster	NA	NA	y	£16,000	Yes	Yes	No	No	N/A	0.3	No	No	Yes
Sandwell	NA	NA	y	£6,000	No	Yes	No	Yes	C	0.25	No	No	No

Outer London Authorities

Local Authority	minimum payment level 13 14	minimum payment level 14 15	CTR entitlement reduced by other measures?	Savings limit	Other benefits counted as income?	Second adult rebate reduced or abolished?	Changes made to non-dependent deductions?	Support restricted to a particular council tax band?	Council Tax band support is restricted to	Taper rate	Changes made to backdating rules?	Changes made to conditions around starting work?	Hardship fund
Merton	0.00%	0.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Redbridge	5.00%	5.00%		£16,000	No	Yes	No	No	N/A	0.2	No	Yes	Yes
Barnet	8.50%	8.50%		£16,000	No	Yes	Yes	No	N/A	0.2	No	No	No
Hounslow	8.50%	8.50%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Bexley	5.00%	10.00%		£16,000	No	No	No	No	N/A	0.2	Yes	No	Yes
Barking and Dagenham	15.00%	15.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Croydon	15.00%	15.00%		£8,000	No	Yes	Yes	Yes	D	0.2	No	Yes	Yes
Greenwich*	15.00%	15.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Waltham Forest	8.50%	15.00%		£16,000	No	No	No	No	N/A	0.2	No	Yes	Yes
Bromley	8.50%	19.00%		£16,000	No	No	No	No	N/A	0.2	No	No	No
Enfield	19.50%	19.50%		£16,000	No	Yes	Yes	No	N/A	0.2	No	No	Yes
Brent	20.00%	20.00%		£6,000	No	Yes	Yes	No	N/A	0.3	No	Yes	No
Ealing	20.00%	20.00%		£8,000	No	Yes	Yes	No	N/A	0.2	Yes	No	Yes
Hillingdon	20.00%	20.00%		£16,000	No	Yes	No	No	N/A	0.2	Yes	No	No
Harrow	22.50%	30.00%		£16,000	No	Yes	Yes	No	N/A	0.3	No	No	No
Sutton	£3.55 per week	£3.55pw		£10,000	Yes	Yes	Yes	Yes	D	0.25	No	No	Yes

Havering	NA	NA	y	£16,000	No	No	Yes	Yes	D	0.2	No	No	No
Kingston upon Thames	NA	NA	y	£16,000	No	Yes	Yes	No	N/A	0.2	No	No	No
Richmond upon Thames	NA	NA	y	£16,000	No	Yes	Yes	Yes	E	0.2	No	Yes	No

Brighton & Hove City Council

Draft Council Tax Reduction Scheme for people of working age for consultation

Published 25 September 2014

Brighton & Hove City Council

Council Tax Reduction (CTR) replaced Council Tax Benefit on 1 April 2013. It is a benefit people on a low income can claim from the council to get help with their Council Tax.

People of pensionable age are assessed under national rules which the council cannot change. They will continue to have their Council Tax Reduction worked out in the same way as it is now.

The government is continuing to reduce the grant it pays for these schemes, meaning there will be a shortfall of at least £5 million to help low income households in Brighton & Hove pay their Council Tax in 2015/16. The scheme set out proposes to absorb around £1.5 million of this.

Brighton & Hove's Council Tax Reduction scheme acts as a discount against your Council Tax bill. The scheme aims to limit the impact of the government's funding reduction on the most vulnerable households.

The council is required to review the scheme every year to consider if changes need to be made, which could affect how much residents need to pay.

No changes were made to the scheme in 2014/15 but the government have told us they will be considerably reducing the funding further over the next few years.

Following consultation with our partners and modelling the likely effects on residents of various options, we are proposing a number of changes to the scheme for 2015/16.

We need to have an agreed scheme in place by January 2015 and are now consulting on these draft proposals for 2015/16.

You can find out what other councils are doing at www.counciltaxsupport.org/schemes.

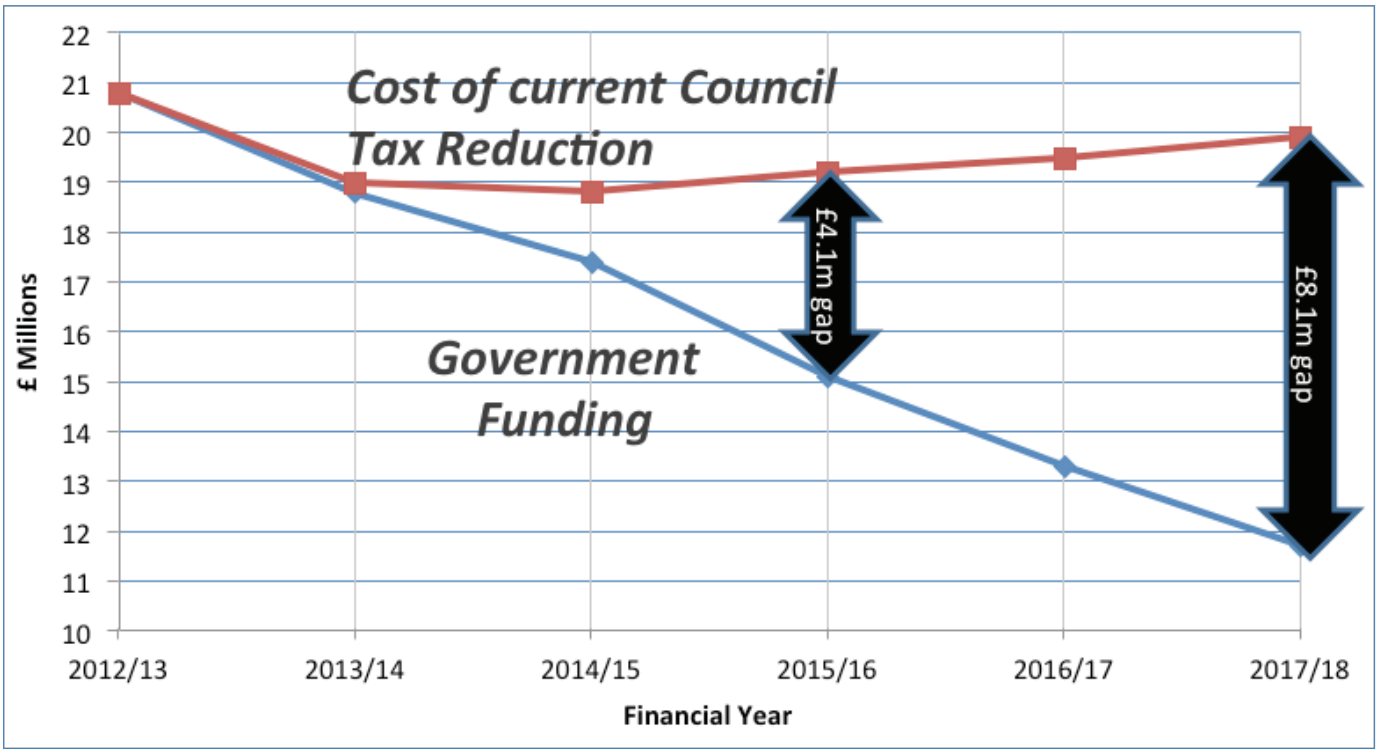
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Details of proposed changes to the Council Tax Redcution scheme	page 4
Examples	page 6

Financial context

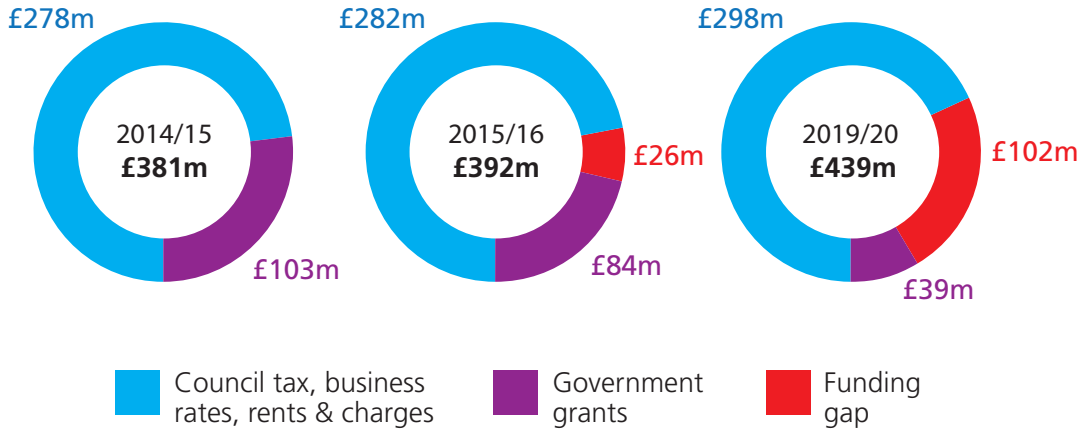
Since the scheme began, the council has absorbed around £1.3 million a year of the reduction from other council funds, with the rest paid by working age people who receive CTR as a minimum contribution towards their Council Tax.

The projected reduction in government funding for the scheme is shown below. The projected costs are based on the number of households claiming CTR in Brighton & Hove remaining at current levels.



The government is also severely reducing funding for all council services and the budget over the next five years will be challenging. Costs will increase due to inflation, population change and rising demand for services, and this will result in a large funding gap.

The biggest budget challenge is on the services funded by Council Tax, Business Rates, government grants and fees and charges (our general fund). We currently spend around £381 million on services like social care for vulnerable children and adults, libraries and transport with this fund. This doesn't include the money we receive for schools, Housing Benefit and expenditure from our Housing Revenue Account.



Council Tax Reduction for pensioners

There will be no changes, apart from the normal yearly uprating of allowances and premiums for pensioners from April 2015. This will mean pensioners will continue to receive the same level of support they do now. These rules are set nationally and the council cannot change them, despite the fact that the money the council receives to fund this part of the scheme is reducing.

Council Tax Reduction for working age people

Decisions on who is eligible to receive help paying Council Tax under Council Tax Reduction (CTR) will continue to be based on a person's income and savings and the amount of Council Tax they pay.

We will continue to provide a discretionary fund to help the most vulnerable households pay their Council Tax contribution in exceptional circumstances.

Proposed changes to Council Tax Reduction from April 2015 for working age people

Minimum contribution

Currently, all working age households are asked to pay a minimum of 8.5% of their Council Tax liability before CTR is awarded. From 1 April 2015, it is proposed that all working age people who claim CTR will have to pay 25% of their Council Tax Liability before any CTR is paid. It would be 35% in 2015/16 if the scheme was paid for solely from the funding provided by central government.

For current claimants, there will be a limit to the increase in the amount they have to pay of £5 per week from 1 April 2015 as a result of this change. This will only apply to families who are entitled to Council Tax Reduction at the point of change and will end after a year, or before that if the claim ends of the family move property.

The maximum amount of savings a working age person can have and still be entitled to CTR will be reduced from £16,000 to £6,000

This means anyone of working age who has more than £6,000 in the bank, building society, shares, premium bonds and other types of savings will no longer be eligible to claim CTR. Savings of up to £6,000 will be ignored when working out CTR.

The amount non-dependants are asked to pay towards the Council Tax will be doubled

A non-dependant is an adult who lives in a person's house who is not liable for the Council Tax themselves. Often they are grown up children who have not left home. Non-dependants are expected to pay some of the Council Tax before any CTR is paid. This amount depends on how much income that non-dependant has coming in. The amount non-dependants are expected to pay will be doubled.

Non-dependant income per week	Current amount non-dependant has to pay per week	Amount non-dependant will have to pay from 1 April 2015 per week
Income Support/Income based JSA/ Income based Employment and Support Allowance	£0	£0
Gross income less than £188	£3.70	£7.40
Gross income £188 - £325.99	£7.45	£14.90
Gross income £326 - £406	£9.40	£18.80
Gross income over £406	£11.25	£22.50

Child Benefit will be counted in the assessment of CTR

Currently, child benefit is not counted in the assessment of Council Tax Reduction (it was counted in the assessment of Council Tax Benefit before 2009). From 1 April 2015, Child Benefit will be included in the assessment of CTR for working age people. People receiving Income Support, income-based Job Seeker's Allowance and income based Employment & Support Allowance will not be affected by this.

Second Adult Rebate will no longer be paid to people of working age

Second Adult Rebate is part of CTR paid to people solely liable for Council Tax who share their home with another adult on a low income unrelated to them. Second Adult Rebate does not take account of the income or capital of the person making the claim. Anyone affected by this will be able to make a claim for standard CTR if they are on a low income.

Increase in earnings disregards for disabled people and carers

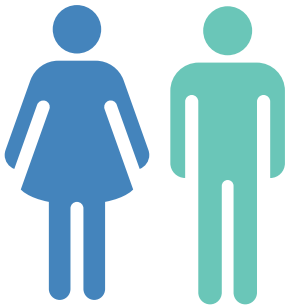
Currently, disabled people and carers who work have the first £20 of their earnings ignored when working out how much CTR they receive. From 1 April 2015, this amount will be increased to £30 per week.

Other national changes

In addition to these changes, the allowances and premiums in the CTR scheme for pensioners and working age people will be increased in line with national regulations.

Examples:

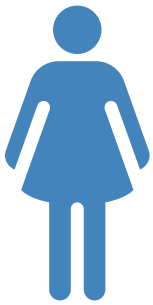
The following examples are made-up cases to help explain how the new scheme may affect you. The Council Tax figures quoted are based on the 2014/15 rates, which may be increased in 2015/16.



£5 a week stays the same

Couple of pensionable age – the same level of support as now

Michael and Pat are 73 and 71 respectively. They currently claim CTR and are entitled to a reduction of £17.92 a week, based on a means tests of their income from state pensions, Michael's work pension and Pat's savings. The full liability for their Band B property is £22.92 per week so they are paying £5.00 a week in Council Tax. Pensioners are assessed under national rules set by the government. Therefore, the reduction they are entitled to remains £17.92 and so the amount they have to pay is still £5.00 a week.

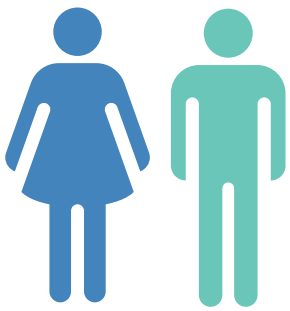


Laura makes a claim for Council Tax Discount

No Council Tax to pay

Pensioner – new claim

Laura is 68, she moves from Worthing to a new rented flat in Brighton in May 2015. Laura is on Pension Credit Guarantee Credit. Her new flat is a Band A property. When she moves she makes a claim for Council Tax Reduction, because she is a pensioner and because she is on Pension Credit Guarantee Credit, she receives full Council Tax Reduction and does not have to pay any Council Tax.

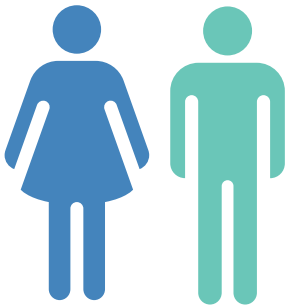


75% discount

Couple in Band A property – standard working age case

Mary lives with her partner in a Band A property and they are both on Job Seekers Allowance. Their Council Tax is £19.65 per week and in 2014/15 they had to pay 8.5% of their Council Tax which is £1.67 per week.

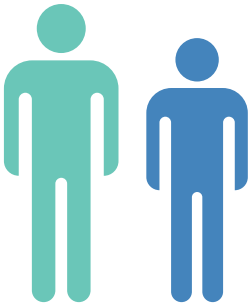
From April 2015 they will have to pay 25% of their Council Tax which means they will have to pay £4.91 per week.



Savings over £6,000
Full Council Tax to pay

Couple with savings – savings limit change applies

Cliff lives with his partner and they are liable to pay £26.20 a week Council Tax. They have £14,450 in savings and earn £85 per week from self-employed work. They have a claim for CTR and currently have to pay £2.23 per week. From April 2015, anyone of working age with more than £6,000 in savings will not be able to claim CTR. This means Cliff and his partner will have to pay their full Council Tax.



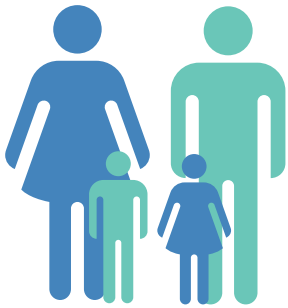
Non-dependant contribution doubled

Single parent living with adult child – non-dependant change applies

Graeme is unable to work and claims Employment and Support Allowance. He lives in a Band B property with his grown up son Kevin and is liable to pay £22.93 Council Tax per week. Kevin works full time and earns £356 a week before tax.

Currently, Graeme has to pay 8.5% - £1.98 per week - of his Council Tax and Kevin is expected to contribute £7.45 a week before the rest of the Council Tax Reduction is paid. This means Graeme and Kevin have to pay a total of £9.43 per week.

From April 2015 Graeme will have to pay 25% - £5.73 per week - of his Council Tax and Kevin will be expected to contribute a total of £14.90 before the rest of the Council Tax Reduction is paid. This means from 1 April, Graeme and Kevin will have to pay a total of £20.63 per week.



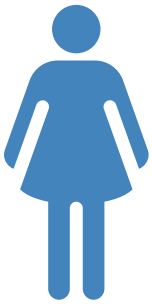
Child benefit counted

Family in a Band C property - Child Benefit change applies

Chris and Sheila live with their two young children in a Band C property. Sheila earns £191.78 per week, and the family receive £116.06 Child Tax Credit and £34.05 Child Benefit a week. Their Council Tax liability is £26.21 per week and the child benefit is currently ignored when working out CTR. They receive £19.11 CTR per week and they have to pay £7.10.

From 1 April 2015, they will have to pay a minimum of 25% of their Council Tax before any CTR is paid and their Child Benefit will be counted when working out their income.

This means that from 1 April 2015, Chris and Sheila will receive £7.97 CTR and have to pay £18.24 per week.

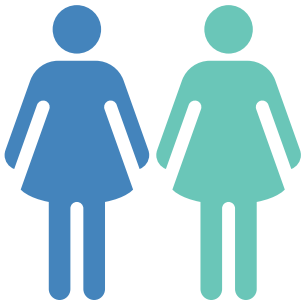


Earnings disregard increases to £30 for disabled people & carers

Single disabled person – increase in earnings disregards for disabled people and carers by £10 applies

Kerry lives in a Band A flat and is liable for £19.65 Council Tax per week. She works and earns £261.18 per week after tax. Kerry is disabled and receives a disability premium in the calculation of her benefit. She currently receives £4.99 CTR per week meaning she pays £14.66 Council Tax.

From 1 April 2015, Kerry will have to pay the minimum of 25% of her Council Tax. This would normally mean she would have to pay £3.24 more per week than she does now. However, as an additional £10 of her earnings will be ignored, she will only have to pay an extra £1.24 per week. This means her CTR reduction would be £3.75 per week and she would need to pay £15.90

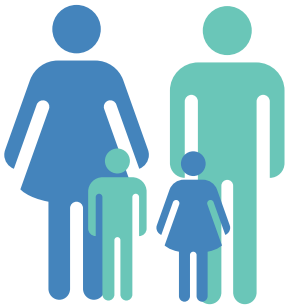


Second adult rebate no longer applies

Full Council Tax to pay

Single person sharing a house - Second Adult Rebate change applies

Jemini is 52, works full time and owns her home. Her Council Tax is £36.03 per week. Jemini's friend lives with her, who claims Job Seekers Allowance. Jemini currently claims Second Adult Rebate and because her friend is on Job Seekers Allowance she gets £9.00 per week reduced from her bill. From April 2015 Jemini will no longer be able to claim Second Adult Rebate and she will have to pay the full Council Tax rate.



£5 limit

Family in Band E property - £5 limit applies

George and Lynsay live with their four children in Band E property and are on Income Support. They are liable for £36.03 per week Council Tax. They claim CTR and at present have to pay 8.5% of their Council Tax, which works out at £3.06 a week.

From April 2015, the standard contribution working age people will have to make towards their Council Tax if they are on Council Tax Reduction will be 25%. This would mean that George and Lynsay would have to pay £9.19 per week, an increase of £6.13. However, because they were already claiming Council Tax Reduction, they will receive transitional protection and the increase will be limited to £5 per week meaning they have to pay £8.06 per week. If George and Lynsay move or end their claim, this transitional protection will end. Otherwise, it will end after a year.

Council Tax Reduction Consultation Summary

Introduction

The council undertook consultation on a draft Council Tax Reduction (CTR) scheme for 2015/16. The draft scheme is included as appendix 4 of this report.

Details of the consultation were reported in the Homing In magazine which is sent to all tenants of the council, other recipients of CTR were written to and invited to reply. Primarily respondents were invited to reply on line but a phone number was also provided to discuss any issues and to request a paper version of the consultation.

Respondents

Have you or someone in your household received Council Tax Reduction in the last two years?

		Frequency	Percent	Valid Percent
Valid	Yes	159	72.6	74.6
	No	48	21.9	22.5
	Don't know / not sure	6	2.7	2.8
	Total	213	97.3	100.0
Missing	No response	6	2.7	
Total		219	100.0	

Do you support or work with someone/people who claim Council Tax Reduction?

		Frequency	Percent	Valid Percent
Valid	Yes	27	12.3	13.0
	No	151	68.9	72.9
	Don't know / not sure	29	13.2	14.0
	Total	207	94.5	100.0
Missing	No response	12	5.5	
Total		219	100.0	

The majority of respondents are from households where a person has received Council Tax Reduction in the last two years; just over 10% of respondents are people who support people who claim Council Tax Reduction in some way including carers; landlords; council staff; support workers and advisors from the community and voluntary sector; neighbours and friends.

Questions and summary of replies

Q1. Do you agree or disagree that, given the reduction in money available to pay for Council Tax discount, the most discount a person can get will be 75% off their Council Tax bill?

		Frequency	Percent	Valid Percent
Valid	Definitely agree	19	8.7	9.3
	Tend to agree	28	12.8	13.7
	Tend to disagree	33	15.1	16.2
	Definitely disagree	124	56.6	60.8
	Total	204	93.2	100.0
Missing	No response	3	1.4	
	Don't know / not sure	12	5.5	
	Total	15	6.8	
Total		219	100.0	

From the total of valid responses 77% of people tended to disagree or strongly disagreed and 23% of people tended to agree or definitely agreed with the measure to increase the minimum contribution to 25% of Council Tax.

Q2. Is there anything we haven't considered or any further comments you'd like to make about the Council Tax discount being based on 75% of their full Council Tax bill?

The main themes which were raised in the comments were that it is already very hard to live on the level of income provided by benefits and that this change would make it harder; That wealthy people should be made to pay a higher proportion of tax to cover reductions in funding; That it is unfair to tax the poor; That disabled people should be exempt; That the increase is too large and increases should be made in smaller increments; that collections issues will mean the charge will be self-defeating; That the raise could lead to greater debt and family breakdown; That a higher level of council efficiency is required; That carers should be protected; That taxes on landlords with empty homes should be increased

Q3. Do you agree or disagree with the proposal to limit the increase in Council Tax current CTR claimants have to pay to £5 per week as a result of the changes in proposal A?

		Frequency	Percent	Valid Percent
Valid	Definitely agree	46	21.0	24.5
	Tend to agree	50	22.8	26.6
	Tend to disagree	19	8.7	10.1
	Definitely disagree	73	33.3	38.8
	Total	188	85.8	100.0
Missing	No response	5	2.3	
	Don't know / not sure	26	11.9	
	Total	31	14.2	
Total		219	100.0	

From the total of valid responses 51% tended to agree to definitely agreed and 49% disagreed with the proposal to limit the increase that claimants have to pay to £5

Q4. Is there anything we haven't considered or any further comments you'd like to make about the proposal to limit the Council Tax increase as a result of the changes set out in A to £5 per week for current claimants?

The main themes in response to this question were: That it will still be too much; that a limit is welcome; That single people should be a priority; That larger families use more services and therefore should not be protected; That it should not just affect larger families but everyone; That the level should be £3

Q5. Do you agree or disagree that a person cannot claim CTR if they have more than £6,000 in savings?

		Frequency	Percent	Valid Percent
Valid	Definitely agree	46	21.0	22.3
	Tend to agree	47	21.5	22.8
	Tend to disagree	24	11.0	11.7
	Definitely disagree	89	40.6	43.2
	Total	206	94.1	100.0
Missing	No response	4	1.8	
	Don't know / not sure	9	4.1	
	Total	13	5.9	
Total		219	100.0	

From the total of valid responses 45% of people tended to agree or definitely agreed and 55% of people definitely disagreed with the proposal to limit the amount of savings a person can hold and claim CTR to £6,000.

Q6. Is there anything we haven't considered or any further comments you'd like to make about reducing the level of savings a person may hold to £6,000?

The main themes in response to this question were: That £6,000 is very little; That the proposal is fair; That the limit should be £10,000; That accommodation costs including deposits and rent in advance will mean people may need to hold at least £6,000 in savings; That it is not fair and penalises people who have saved money; That the drop is too much; That people need savings for an emergency; That people need savings to cover the cost of a funeral; That disabled people should be exempt; that the limit should be reduced further and that the limit should be kept at £16,000.

Q7. Do you agree or disagree that the amount non-dependants are expected to pay should be doubled?

		Frequency	Percent	Valid Percent
Valid	Definitely agree	44	20.1	23.0
	Tend to agree	45	20.5	23.6
	Tend to disagree	26	11.9	13.6
	Definitely disagree	76	34.7	39.8
	Total	191	87.2	100.0
Missing	No response	10	4.6	
	Don't know / not sure	18	8.2	
	Total	28	12.8	
Total		219	100.0	

From the total of valid responses 46% of people tended to agree or definitely agreed and 54% of people tended to disagree or strongly disagreed with the proposal to double the amounts non-dependents pay.

Q8. Is there anything we haven't considered or any further comments you'd like to make about non-dependant deductions being doubled?

The main themes in response to this question were: That the increase would be too much; That the proposal is fair; That it would mean grown up children would not be able to save money; that the levels and bands could be altered in other ways; That non-dependants may not pay the contributions and the council should be very clear about how this is calculated; That it penalises those who work; That this is Council Tax not Poll Tax; That rich people should be taxed more; that the amounts should be increased to a higher amount; that there should be no increase; that it is unfair because grown up children can't afford their own rent; and that it will increase costs elsewhere

Q9. Do you agree or disagree that Child Benefit should be counted as an income when working out CTR?

		Frequency	Percent	Valid Percent
Valid	Definitely agree	38	17.4	19.6
	Tend to agree	33	15.1	17.0
	Tend to disagree	19	8.7	9.8
	Definitely disagree	104	47.5	53.6
	Total	194	88.6	100.0
Missing	No response	6	2.7	
	Don't know / not sure	19	8.7	
	Total	25	11.4	
Total		219	100.0	

From the total of valid responses 37% of people tended to agree or definitely agreed and 63% of people tended to disagree or definitely disagreed with the proposal that Child Benefit should be counted as an income when working out CTR.

Q10. Is there anything we haven't considered or any further comments you'd like to make about counting child benefit as an income?

The main themes in response to this question were: That Child Benefit is for children not anything else; That the provision would have an impact on child poverty; the proposal is not fair and shouldn't happen; that the proposal is right; That this change is not affordable; That Child Benefit is not an income; that this is just a way to cut costs; That wealthy people should not get Child Benefit and that child maintenance should be counted in addition to Child Benefit.

Q11. Do you agree or disagree that Second Adult Rebate will no longer be paid to people of working age?

		Frequency	Percent	Valid Percent
Valid	Definitely agree	40	18.3	24.0
	Tend to agree	41	18.7	24.6
	Tend to disagree	28	12.8	16.8
	Definitely disagree	58	26.5	34.7
	Total	167	76.3	100.0
Missing	No response	10	4.6	
	Don't know / not sure	42	19.2	
	Total	52	23.7	
Total		219	100.0	

From the valid responses 48% of people tended to agree or definitely agreed and 52% of people tended or definitely disagreed with the proposal to end Second Adult Rebate.

Q12. Is there anything we haven't considered or any further comments you'd like to make about Second Adult Rebate no longer being paid to people of working age?

The main themes in response to this question were: That it could create pressure on housing; That the proposal is right; That it is unfair; That it is right to end it because it is too complex; That people in this position should be means tested; That carers should be exempted from the change.

Q13. Do you agree or disagree that the earnings disregard will support Disabled people and carers moving into work or in low paid work?

		Frequency	Percent	Valid Percent
Valid	Definitely agree	93	42.5	50.0
	Tend to agree	52	23.7	28.0
	Tend to disagree	12	5.5	6.5
	Definitely disagree	29	13.2	15.6
	Total	186	84.9	100.0
Missing	No response	9	4.1	
	Don't know / not sure	24	11.0	
	Total	33	15.1	
Total		219	100.0	

From the valid responses 78% of people tended to agree or definitely agreed and 22% of people tended or definitely disagreed that the proposals to increase earning disregards would support Disabled people and carers moving into work.

Q14. Is there anything we haven't considered or any further comments you'd like to make about the earnings disregard?

The main themes in response to this question were: That the disregard should be more; that the proposal is welcome; that this should be extended for everyone; that it is not fair because other people will have to pay more; that many Disabled people cannot work; That the proposal is a small measure and may not have much affect; that Disabled people receive higher benefits than others already.

POLICY & RESOURCES COMMITTEE	Agenda Item 92 Brighton & Hove City Council

Subject:		**Council Tax Empty Property Discounts 2015/16**
Date of Meeting:		**Policy & Resources Committee 4 December 2014,** Council 11 December 2014
Report of:		**Executive Director Finance and Resources**
Contact Officer:	**Name:**	**Paul Ross-Dale** **Tel: 291969**
	Email:	**Paul.ross-dale@brighton-hove.gcsx.gov.uk**
Ward(s) affected:		**All**

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 From 1st April 2013, the government provided local authorities with discretion to vary or remove certain discounts applied to Council Tax. One of these is the empty and unfurnished property discount, which in the 2014/15 tax year the council set at a 100% discount for four weeks. The proposal in this report is that the council withdraws the discount with effect from 1 April 2015. This is consistent with our housing strategy which aims to make the best use of the city's housing stock, particularly in the context of high levels of housing need.

1.2 Another locally applicable discount which the council can vary is the uninhabitable property discount. In 2014/15, council tax payers in Brighton & Hove receive a 100% discount for up to 12 months if their property is uninhabitable or undergoing structural repair, or for 6 months after works are completed (whichever is sooner). There is a separate consideration of a 100% discount for up to 6 months after a newly built property is completed. The proposal in this report is that the council withdraws both of these discounts with effect from 1 April 2015.

1.3 The withdrawal of these discounts will contribute savings towards meeting the difficult financial challenges in 2015/16 including a projected budget gap of between £21.3m and £26.4m. Policy & Resources Committee is asked to consider these recommendations in advance of a decision being made at the Full Council meeting on 11 December 2014.

2. RECOMMENDATIONS:

That the Committee recommends that Council -

2.1 Approves the reduction of the Class C (empty and unfurnished) Council Tax discount to zero (i.e. full withdrawal) with effect from 1 April 2015.

2.2 Approves the reduction of the Class D (uninhabitable) Council Tax discount to zero (i.e. full withdrawal) with effect 1 from April 2015.

2.3 Approves a discretionary Council Tax 4-week discount to cover exceptional circumstances.

2.4 Note that to enable the recommendations in 2.1 – 2.3, Appendix 1 sets out the formal determinations and decisions for the financial year commencing 1 April 2015 and in subsequent financial years.

2.5 Grants delegated authority to the Executive Director of Finance & Resources to take all appropriate steps to implement and administer the recommendations in 2.1 - 2.3, including the publishing of any related data or information in accordance with statutory requirements.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 The government introduced a new discretion for local authorities for some categories of property discount for Council Tax, with effect from 1 April 2013. The council used this discretion to reduce empty and unfurnished discount from 6 months to 6 weeks. The discount was for 100%, meaning that there was nothing to pay for those weeks. In 2014/15, the discount was adjusted to 4 weeks in line with many other Local Authorities.

3.2 At present there is a 100% discount available for empty and uninhabitable properties undergoing structural and repair work. The discount lasts for up to 12 months, or 6 months after work has been completed, whichever is sooner. Newly built properties also receive 6 months 100% discount once work is completed on them.

3.3 In 2013/14, there were 20,400 Class C (empty and unfurnished) discounts. Of these, around 8,930 were for less than 14 days; and 5,938 were for less than 7 days. Around 5,800 used the maximum amount of discount available in that year's scheme (6 weeks), implying that there were nearly 6,000 properties that were empty for a minimum of 6 weeks in 2013/14.

3.4 The recipients of the Class C discount could be:

- Landlords, where the property is empty between lets, including private landlords of all sizes, Registered Social Landlords and the Local Authority;
- Property owners, moving to a new property whilst still remaining responsible for their old one temporarily;

3.5 In 2013/14 the uninhabitable discount was awarded to 389 council tax payers. There were 548 recipients of the 6 month discount for newly built properties. The recipients included:

- Property developers;
- Landlords, including private, Registered Social Landlords and the Local Authority;
- Property owners.

3.6 In a survey of 2014/15 discounts, 21 out of 55 local authorities had zero discounts for both empty/unoccupied and uninhabitable properties (all the unitary authorities, plus our geographical neighbours in East and West Sussex). Their proposals for the 2015/16 year are as yet unknown.

3.7 As part of its broader housing strategy, the council has a cross-service approach to empty properties, involving among others the Empty Property team, Private Sector housing, Council Tax teams, Planning and Building Control teams. Any strategy adopted in Council Tax should be consistent with encouraging good use of housing stock in the city. Having reduced the discount for Class C (empty and unfurnished) over the previous two years, there is no evidence to suggest that this has had a detrimental impact on the housing market.

3.8 One of the impacts of the government introducing increased local discretion is that the empty property strategy can be influenced by the policy adopted. On 1 April 2013, a Council Tax "long term empty premium" was introduced, so that unfurnished properties that remain unoccupied for 2 years are subject to an additional Council Tax charge and must pay 150%. This is the maximum that can be charged under the legislation and this is designed to act as an incentive to bring properties back into use faster. It is possible that by removing the discounts for empty properties, owners may be influenced to find ways of bringing them back into use more quickly.

3.9 Property owners and landlords have assets and it is a natural part of the business model to maintain those assets and minimise void periods. There will be individual landlords who experience more difficulty than others. However, having to pay Council Tax during the void period is a comparatively low burden compared to the cost of having an empty property that is not attracting rental income, or having one that attracts a lower rental income because it has not been refurbished to a high enough standard. Therefore, it is in landlords' interests to maintain the properties appropriately, regardless of the Council Tax discount.

3.10 The proposal is therefore to withdraw the Class C (empty and unfurnished) Council Tax discount and the Class D (uninhabitable) Council Tax discount with effect from 1 April 2015. The savings associated with the proposals in this paper will contribute £1.125m (£0.825m for Class C and £0.300m for Class D) to meeting the council's projected budget gap next year and will be reflected in the budget proposals for 2015/16.

3.11 A discretionary four week discount would be available for exceptional circumstances. For example this might be where there is flood or fire damage that is not covered by insurance or where a delay in any insurance payment might create financial hardship..

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The budget gap next year is very substantial and therefore all options must be considered carefully. The budget gap leaves no option but to review the money that we do not collect due to discounts being awarded.

4.2 The uninhabitable discount could be reduced, rather than removed. A selection of local authorities in our sample check allowed a 50% or 25% discount. However, to keep the discount at any level would cost money that will mean a spending cut elsewhere and an associated impact on council services.

4.3 Withdrawal of the discounts could have a potential impact on resourcing the customer service and collection activities of the Council Tax teams, because a large number of new bills, some of them for small amounts, will have a knock on effect on the numbers of people contacting the service. The potential for this to impact on our collection rate has been factored into the savings estimate.

4.4 Awarding a nominal 7 day discount for the empty and unfurnished properties was also considered. This would rule out billing for some very small debts and would give only a very modest amount of support. The value to each property would therefore be negligible but would still cost in the region of £0.075m overall. Furthermore, due to the number of empty periods that exceed 7 days, there would still be a large number of bills for small amounts (e.g. if a property is empty for 10 days, it would be necessary to bill for 3 days once the 7 day discount had expired).

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 A consultation was held on the proposals contained within this report.

5.2 There were 524 respondents, of whom 67% were private sector landlords. 34% identified as Brighton and Hove residents.

5.3 89% disagreed with the proposal to remove the empty and unfurnished (Class C) discount and 81% disagreed with the proposal to remove the uninhabitable (Class D) discount.

5.4 Among the comments received for the Class C discount, respondents felt that landlords required longer than four weeks to turn empty properties around, particularly if they were undertaking refurbishment work and arranging the practicalities around such works. Some respondents felt that this would lead to costs being passed on in rent to tenants, or that properties would simply not be refurbished and that the quality of housing stock would reduce as a result. It was also felt by respondents that the idea was either generally unfair, or unfair because no services were being used in an empty property. There was a feeling from respondents that landlords were being penalised. Some also commented that the administrative cost of billing for short periods would outweigh the saving.

5.5 Regarding the Class D discount, respondents felt that there would no longer be an incentive to renovate properties and make them habitable. They felt that properties would be let at a lower quality and that housing stock would deteriorate in quality and number. As with the Class C proposals, some respondents felt that the proposal was inherently unfair, or that it was unfair because council services were not being used in empty properties. It was also suggested that there would be a resultant increase of rents and that the removal of the discount penalised landlords.

5.6 91% agreed with the proposal to have a discretionary discount for exceptional circumstances.

5.7 The results of the consultation have been considered. It is accepted that there is an impact on landlords and property owners, but this impact was known and fully considered when the proposals were drafted. The severity of the budget gap over

the medium term means that all areas of council discretion have to be examined carefully. If the discount proposals did not go ahead, there would have to be a corresponding impact on other services, potentially affecting vulnerable service users and those who do not have any resources.

5.8 Some respondents have said that costs will be passed on in rents. It is not possible to predict with certainty whether or not this would happen. Market forces are complex and the loss of a council tax discount may not necessarily be a determinative factor in deciding rents across the city, other factors being of much greater significance. Similarly, respondents predicted a deterioration in housing stock, both in quality and quantity. Existing monitoring will now incorporate consideration of whether Council Tax burdens are making a material difference in respect of these points.

5.9 Respondents said that they would reconsider refurbishment and in some cases not maintain properties to their current standards. This would be a choice for individual landlords, but it would not appear to make business sense to market a lower quality property. The cumulative loss associated with having to charge lower rent for a lesser quality property would likely outweigh the cost of paying for several weeks of Council Tax.

5.10 For more substantial works rendering a property uninhabitable, it is accepted that there is a potentially greater financial loss, because the Council Tax discount can currently last for up to a year. However, as mentioned above, the impact of not going ahead with the proposals would be that spending on other services would need to be reduced. It is anticipated that the cost of Council Tax will now have to be incorporated into overall plans around property development.

5.11 Regarding the comments about administrative cost, the proposals had already allowed for a potential increase of administrative complexity when calculating the potential saving.

6. CONCLUSION

6.1 The grounds for these decisions are outlined in the sections above.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The report is proposing to reduce the discount to zero on council tax discounts for empty and unfurnished, uninhabitable and new build properties. The zero discount on Class C discount is estimated to generate additional resources for the council of £0.825m. The zero discount on uninhabitable and new builds is estimated to generate additional resources for the council of £0.300m. If approved, the additional resources for 2015/16 will be reflected in the final tax base calculation reported to P&R in January 2015.

7.2 The savings are net of a discretionary fund of £0.025m to cover the award of up to 4 weeks discount in exceptional circumstances for either Class C or Class D discounts.

Finance Officer Consulted: Heather Bentley Date: 06/11/14

Legal Implications:

7.3 Section 11A of the Local Government Finance Act 1992 and associated regulations (Statutory Instrument 2003/3011) confer powers on the council to limit or withdraw completely any discount payable under section 11(2) of the 1992 Act in respect of unoccupied dwellings. This permits the council to agree recommendations 2.1 and 2.2 above.

7.4 Under section 67 of the 1992 Act, it is a requirement that determinations under section 11A be made by the authority itself, i.e. full Council. It is appropriate for these matters to be considered first by Policy & Resources Committee, for referral to Council for approval.

7.5 The power to operate a discretionary discount scheme – as referred to in recommendation 2.3 above – is conferred by section 13A(1)(c) of the 1992 Act. Although this particular power may be exercised by Policy & Resources Committee alone, it is advisable for P & R to refer the matter to Council as it forms part of the same package of measures as recommendations 2.1 and 2.2.

Lawyer Consulted: Oliver Dixon Date: 07/11/14

Equalities Implications:

7.6 An Equalities Impact Assessment has been carried out. The findings were that no protected group was likely to be adversely affected. However, individuals could be affected in any group. A number of exemptions already exist in Council Tax to cover some of these situations, for example there is an exemption if the property is occupied by somebody who is severely mentally impaired. A further example is the exemption for properties solely occupied by somebody who has now moved permanently into a residential home or hospital to receive care.

It is possible that elderly residents are more likely to own property and therefore might be affected by the removal of the empty discount. However, this effect would be mitigated by officer knowledge of advice and signposting to available support such as Age Concern, Adult Social Care and the Pension Service.

There could also be potential occupancy issues around properties not being suitably adapted and the time frame involved in doing so. In these instances we could consider referrals to Private Sector Housing for a disabled facility grant. We also have the option of looking at individual cases to see whether they qualify for the discretionary extension of the empty and unfurnished discount.

Sustainability Implications:

7.7 There are no specific sustainability issues.

SUPPORTING DOCUMENTATION

Appendices:

1. Council Tax Property Discounts Determinations

Documents in Members' Rooms

None

Background Documents

None

Appendix 1

Council Tax Property Discounts from 1 April 2015

Report to Council (11 December 2014)

Determinations

The determinations set out below are made by Brighton & Hove City Council ("the Council") on 11 December 2014. They come into effect on 1 April 2015 for the financial year 1 April 2015 to 31 March 2016 and will remain in force for subsequent years unless revoked. They are made by the Council under its powers in section 11A of the Local Government Finance Act 1992 ("the 1992 Act") and all other enabling powers. References to the 1992 Act include references to regulations and orders made under that Act; and references to sections are to sections in the 1992 Act.

The concessions specified in paragraphs 1.1(b) and 2.1(b) of the determinations below are made in accordance with section 13A(1)(c).

Classes of dwellings are defined in accordance with regulations made under section 11A(1). For reference only, Classes A to F are defined in full in Schedule 1 of this Appendix.

Any notes expressed in italics are for explanatory purposes only and not part of the determinations.

The Council makes the following determinations in relation to the classes of dwellings set out below:-

1. Discount for dwellings in Class C

1.1 Pursuant to section 11A(4A), the council has determined that in relation to all dwellings of Class C in its area –

(a) the discount under section 11(2)(a) shall not apply; and

(b) the following concession shall apply in respect of any such dwelling:-

At the discretion of the Council in circumstances which it deems to be exceptional, the amount of discount in respect of that dwelling shall be 100 percent for a period of up to 4 weeks from the date on which the dwelling first became unoccupied and substantially unfurnished.

Note: this concession is principally intended to be used in cases where the reason for a dwelling being unoccupied is exceptional and not linked to the standard processes of transferring the occupation of a dwelling from one person to another. An example of this could be flood or fire damage, where insurance does not cover the cost of the Council Tax.

1.2 The determination regarding the "Discount for Dwellings in Class C" made by the Council on 12 December 2013 is hereby revoked with effect from 1 April 2015.

2. Discount for dwellings in Class D

2.1 Pursuant to section 11A(4A), the council has determined that in relation to all dwellings of Class D in its area –

(a) the discount under section 11(2)(a) shall not apply;

(b) the following concession shall apply in respect of any such dwelling:-

At the discretion of the Council in circumstances which it deems to be exceptional, the amount of discount in respect of that dwelling shall be 100 percent for a period of up to 4 weeks from the date on which the dwelling first became uninhabitable.

Note: this concession is principally intended to be used in cases where the reason for a dwelling being uninhabitable is exceptional and not linked to the standard processes of repairing and refurbishing a property. An example of this could be flood or fire damage, where insurance does not cover the cost of the Council Tax.

2.2 The determination regarding the "Discount for dwellings in Class D" made by the Council on 13 December 2012 is hereby revoked with effect from 1 April 2015.

Schedule 1

Classes of dwellings specified pursuant to section 11A(1) of the Local Government Finance Act 1992

References to regulations are to the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003

Class A (regulation 4)

The class of dwellings described in this regulation ("Class A") comprises every chargeable dwelling in England–

(a) which is not the sole or main residence of an individual;
(b) which is furnished; and
(c) the occupation of which is restricted by a planning condition preventing occupancy for a continuous period of at least 28 days in the relevant year; except that the class of dwellings described in this regulation shall not include any dwelling which is excluded from that class by virtue of regulation 6 below.

Class B (regulation 5)

The class of dwellings described in this regulation ("Class B") comprises every chargeable dwelling in England–

(a) which is not the sole or main residence of an individual;
(b) which is furnished; and
(c) the occupation of which is not restricted by a planning condition preventing occupancy for a continuous period of at least 28 days in the relevant year;

except that the class of dwellings described in this regulation shall not include any dwelling which is excluded from that class by virtue of regulation 6 below.

Exceptions in relation to Classes A & B (regulation 6)

(1) Class A and Class B shall not include any dwelling which consists of a pitch occupied by a caravan, or a mooring occupied by a boat.
(2) Class A and Class B shall not include any dwelling–
    (a) where a qualifying person in relation to that dwelling is a qualifying person in relation to another dwelling in England, Wales or Scotland which for him is job-related; or
    (b) which for a qualifying person is job-related where that person is a qualifying person in relation to another dwelling in England, Wales or Scotland.
(3) For the purposes of sub-paragraph (a) of paragraph (2), a dwelling is job-related if it falls within the description set out in paragraph 1, 2 or 2A of the Schedule to these Regulations [*not copied in this Appendix*] and for the purposes of sub-paragraph (b) of paragraph (2), a dwelling is job-related if it falls within the description set out in paragraph 1 or 2 of that Schedule [*not copied in this Appendix*].

Class C (regulation 7)

The class of dwellings described in this regulation ("Class C") comprises every chargeable dwelling in England–

(a) which is unoccupied; and
(b) which is substantially unfurnished

Class D (regulation 8)

The class of dwellings described in this regulation ("Class D") comprises every chargeable dwelling in England—

(a) which satisfies the requirement set out in paragraph (b) unless it has been such a dwelling for a continuous period of twelve months or more ending immediately before the day in question;
(b) the requirement referred to in paragraph (a) is that the dwelling is vacant and—
  (i) requires or is undergoing major repair work to render it habitable, or
  (ii) is undergoing structural alteration; or
  (iii) has undergone major repair work to render it habitable, if less than six months have elapsed since the date on which the alteration was substantially completed and the dwelling has continuously remained vacant since that date;
(c) for the purposes of paragraph (b) above "major repair work" includes structural repair work.

Class E (regulation 9)

(1) The class of dwellings described in this regulation ("Class E") comprises every chargeable dwelling in England which—
  (a) is the sole or main residence of an individual where that individual is a qualifying person in relation to another dwelling provided by the Secretary of State for Defence for the purposes of armed forces accommodation, and which for that individual is job-related; or
  (b) would be the sole or main residence of an individual if that individual were not a qualifying person in relation to another dwelling provided by the Secretary of State for Defence for the purposes of armed forces accommodation, and which for that individual is job-related.
(2) For the purposes of paragraph (1) a dwelling is job-related if it falls within the description set out in paragraph 1 of the Schedule to these Regulations [*not copied in this Appendix*].

Class F (regulation 10)

(1) The class of dwellings described in this regulation ("Class F") comprises every chargeable dwelling in England—
  (a) which forms part of a single property which includes at least one other dwelling; and
  (b) which is being used by a resident of that other dwelling, or as the case may be, one of those other dwellings, as part of their sole or main residence.
(2) For the purposes of paragraph (1) "single property" means property which would apart from the Council Tax (Chargeable Dwellings) Order 1992 be one dwelling within the meaning of section 3 of the Act.

POLICY & RESOURCES COMMITTEE	Agenda Item 94 Brighton & Hove City Council

Subject:		**Treasury Management Policy Statement 2014/15 (including Annual Investment Strategy 2014/15) – Mid Year Review**
Date of Meeting:		**4 December 2014**
Report of:		**Executive Director of Finance & Resources**
Contact Officer:	**Name:**	**James Hengeveld** **Tel: 29-1242**
	Email:	**james.hengeveld@brighton-hove.gov.uk**
Ward(s) affected:		**All**

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 The 2014/15 Treasury Management Policy Statement (TMPS), practices and schedules were approved by Policy & Resources on 20 March 2014. The TMPS sets out the role of Treasury Management, whilst the practices and schedules set out the annual targets and methods by which these targets will be met.

1.2 The TMPS includes the Annual Investment Strategy (AIS) which sets out the key parameters for investing council cash funds and was approved by Full Council on 27 March 2014.

1.3 It is recommended good and proper practice that Members receive half yearly reports and review and endorse treasury management actions during the year. The purpose of this report is to advise of the action taken in the first half of 2014/15.

2. RECOMMENDATIONS:

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

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

3. CONTEXT/ BACKGROUND INFORMATION

Overview of Markets

3.1 The UK GDP has seen very strong growth in the last 3 quarters of 2013 (resulting in an annual growth of 2.7% in 2013), and the first two quarters of 2014, plus further strength suggested in quarter 3 estimates (which puts annual growth at 3.1% in quarter 3). It appears very likely that strong growth will continue through 2014 and into 2015 as forward surveys for both the construction and services sectors are

encouraging, as is the recovery seen in business investment. The manufacturing sector has also been encouraging, though latest figures indicate a weakening in the future trend rate of growth. However, for the recovery to become more sustainable in the longer term, it needs to move away from dependence on consumer expenditure and the housing market.to exporting, and particularly of manufacturing goods, both of which need to substantially improve.

3.2 This overall strong growth has resulted in unemployment falling much faster through the initial threshold of 7%, set by the Monetary Policy Committee (MPC) last August, before it said it would consider any increases in Bank Rate. The MPC has, therefore, subsequently broadened its forward guidance by adopting five qualitative principles and looking at a much wider range of about eighteen indicators in order to form a view on how much slack there is in the economy and how quickly slack is being used up.

3.3 Also encouraging has been the sharp decline in inflation, with CPI reaching 1.2% in September (The lowest rate since 2009). Forward indications suggest that it is likely to fall further in 2014. Thus, markets are expecting the MPC to be cautious in raising Bank Rate as it will want to protect heavily indebted consumers at a time where inflationary pressures are also weak. The Council's Treasury Advisors (and a number of other economists) have put back the expectation of a Bank Rate risk to Quarter 2 2015. They also expect rate rises to be at a much slower pace and to peak at lower levels than previous patterns.

3.4 The Eurozone (EZ) is facing an increasing threat from weak or negative growth and from deflation. In September, the inflation rate fell further, to reach a low of 0.30%. However, this is an average for all EZ countries and includes some countries currently running with a negative rate of inflation. Accordingly, the ECB took some rather limited action in June to loosen monetary policy in order to promote growth. Further action was taken in September, which resulted in setting a negative deposit rate of -0.2%, and started a programme of purchasing corporate debt. EZ sovereign difficulties subsided in 2013, but have not gone away, and major issues could return in respect of any countries that do no dynamically address fundamental issues of low growth, lack of international competitiveness, and the need for overdue reforms of the economy.

3.5 The expected delay in any increase in the Bank Rate is likely to supress the Council's Income from its investment portfolio. However, long term borrowing rates are also supressed in the current market, and therefore borrowing requirements for capital projects will be at a lower cost than earlier projections. Officers have carried out analysis on the current borrowing rates for future capital investment requirements and have assessed that the cost of carrying debts in advance of need is too great given the very low investment rates. Therefore it is not the right time for the council to borrow.

Treasury Management Strategy

3.6 A summary of the action taken in the six months to September 2014 is provided in Appendix 1 to this report and further information on borrowing and investment performance is shown in the September 2014 Bulletin at Appendix 2. The main points are:

- The council did not enter into any new borrowing arrangements during the period;
- The highest risk indicator during the period was 0.039% which is below the maximum set of 0.050%;
- The return on investments by the in-house treasury team and cash manager has exceeded the target rates.
- The two borrowing limits approved by full Council have not been exceeded.

3.7 Treasury management activity in the half-year has focused on a short-term horizon as summarised in the table below:

	Amount invested 1st Apr 2014 to 30 Sep 2014			
	Fixed deposits	Money market funds	Total	
Up to 1 week		£234.9m	£234.9m	77%
Between 1 week & 1 month	£7.0m		£7.0m	2%
Between 1 month & 3 months	£20.1m	£2.5m	£22.6m	8%
Over 3 months	£38.8m	-	£38.8m	13%
	£65.9m	**£237.4m**	**£303.30m**	**100%**

Summary of Treasury Activity April to September 2014

3.8 The following table summarises the treasury activity in the half year to September 2014 compared to the corresponding period in the pervious year.

April to September	2013/14	2014/15
Long-term borrowing repaid	-	-
Short-term borrowing repaid	-	-
Investments made	£350.0m	£303.3m
Investments maturing	(£311.0m)	(£296.6m)

3.9 The Financing Costs budget reported a breakeven position at Month 5. Within the budget, a saving generated by delaying long term borrowing, which is offsetting a pressure caused by lower cash balances for investment in the first half of the year. In addition there is expectation that short term borrowing will fund cash flows in the later part of the year.

3.10 Long term borrowing has been delayed in order to reduce the pressure caused by the difference between borrowing and investment rates. Officers are exploring the use of forward borrowing for capital investment in future years as this could provide certainty of future revenue costs, lock in to lower rates now, and avoid the cost of carry.

3.11 The following table summarises how the day-to-day cash flows in the first half-year have been funded compared to the same period in the previous year.

April to September	2013/14	2014/15
Cash flow surplus – general	£39.0m	£11.3m
HRA Settlement Payment	-	-
Net cashflow surplus	**£39.0m**	**£11.3m**
Represented by:		
Increase in long-term borrowing	-	-
Change in short-term borrowing	-	-
Change in investments	(£39.0m)	(£6.7m)
Change in bank balance	-	(£4.6m)

Security of Investments

3.12 A summary of investments made by the in-house treasury team and outstanding as at 30 September 2014 in the table below shows that investments continue to be held in good quality, short term instruments. The funds invested in BBB institutions included in the table below are invested in the part-nationalised banks which are backed by Government guarantee in line with the AIS.

'AAA' rated money market funds	£3.26m	6%
'AA' rated institutions	£2.00m	3%
'A' rated institutions	£45.53m	77%
'BBB' rated institutions	£8.50m	14%
Total	**£59.29m**	**100%**
Period – less than one week	£13.26m	23%
Period – between one week and one month	£18.51m	31%
Period – between one month and three months	£19.02m	32%
Period – between three months and 1 year	£8.50m	14%
Total	**£59.29m**	**100%**

Municipal Bonds Agency Investment

3.13 Policy & Resources delegated the authority to invest a maximum of £50,000, classified as capital expenditure, in an equity stake in the Municipal Bonds Agency. Following a meeting with the Local Government Agency and a review of the Agency's Business Case, there is a strong case for supporting the formation of the Agency in order to deliver potentially substantially lower future borrowing costs to the Local Government community.

3.14 The Executive Director of Finance & Resources has signed a Subscription Agreement which commits the authority to £25,000 in the initial subscription phase (£10,000 of which was drawn down by the Agency on 30th September 2014). The Subscription Agreement additionally sets out the Authority's intention to commit a further £25,000 in the second subscription.

Risk

3.15 As part of the investment strategy for 2014/15 the Council agreed a maximum risk benchmark of 0.050% i.e. there is a 99.95% probability that the council will get its investments back. The benchmark is a simple target that measures the risk based on the financial standing of counterparties and length of each investment based on historic default rates. The actual risk indicator has varied between 0.009% and 0.039% between April 2014 and September 2014. It should be remembered however that the benchmark is an average risk of default measure, and does not constitute an expectation of loss against a particular investment.

3.16 In January 2014, Internal Audit and Business Risk undertook an audit of the treasury management function. The audit concluded that "substantial assurance" is provided on the effectiveness of the control framework operating and mitigating risks for treasury management.

Performance

3.17 The following table summarises the performance on investments compared with the budgeted position and the benchmark rate.

(*) Annualised rates	In-house investments		Cash manager investments	
	Average balance	Average rate (*)	Average balance	Average rate (*)
Budget 2014/15– full year*	£67.9m	0.63%	£25.3m	0.70%
Actual to end Sept 2014	£88.6m	0.65%	£25.3m	0.87%
Benchmark rate (i.e. 7 day LIBID Rate) to end Sept 2014	-	0.35%	-	0.35%

**please note this is an average for the full year –profile of balances are higher in the first half of the year and are expected to reduce over the financial year.*

3.18 The council is now part of a regional benchmark club which shares investment strategies and performance on a confidential basis. The benchmarking data demonstrates that the council's investment portfolio is performing in line with expectations.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 This report sets out action taken in the six months to September 2014. Treasury management actions have been carried out within the parameters of the AIS, TMPS and Prudential Indicators. Therefore no alternative options have been considered.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 The council's external treasury advisors have been consulted over the content of this report. No other consultation was necessary.

6. CONCLUSION

6.1 Treasury management is governed by a code that is recognised as “best and proper practice” under the Local Government Act 2003. The Code requires a minimum of two reports per year, one of which is required to review the previous year’s performance. This report fulfils this requirement.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The financial implications of treasury management activity are reflected in the financing costs budget set out in paragraph 3.6.

Finance Officer Consulted: James Hengeveld Date: 07/11/14

Legal Implications:

7.2 The TMPS and associated actions are exercised under powers given to the council by Part 1 of the Local Government Act 2003 which includes the power for a local authority to invest for the purposes of the prudent management of its financial affairs (section 12).

Lawyer Consulted: Oliver Dixon Date: 10/11/14

Equalities, Sustainability and other significant implications:

7.3 There are no direct implications arising from this report.

SUPPORTING DOCUMENTATION

Appendices:

1. A summary of the action taken in the period April 2014 to September 2014

2. September 2014 Treasury Management Bulletin

Documents in Members' Rooms

None

Background Documents

1. Part I of the Local Government Act 2003 and associated regulations

2. The Treasury Management Policy Statement and associated schedules 2014/15 approved by Policy & Resources on 20 March 2014

3. The Annual Investment Strategy 2014/15 approved by full Council on 27 March 2014

4. Treasury Management Policy Statement 2013/14 (including Annual Investment Strategy 2013/14) – End of year Review approved by Policy & Resources Committee on 11 July 2014

5. Papers held within Financial Services, Finance & Resources Directorate

6. The Prudential Code for Capital Finance in Local Authorities published by CIPFA 2011

Summary of action taken in the period April to September 2014

Treasury Management Strategy

New long term borrowing
No new long-term borrowing raised in the first six months.

Debt maturity
No long-term borrowing was repaid in the first six months.

Lender options, where the lender has the exclusive option to request an increase in the loan interest rate and the council has the right to reject the higher rate and repay instead, on three loans were due in the 6 month period but no option was exercised.

Debt restructuring
Opportunities to restructure the debt portfolio are severely restricted under changes introduced by the Public Works Loan Board in October 2007. No restructuring was undertaken in the first 6 months.

Weighted average maturity profile
With no movement in the long-term debt portfolio the weighted average maturity period of the portfolio has decreased naturally by 6 months, from 31.3 years to 30.8 years.

Capital financing requirement
The prudential code introduces a number of indicators that compare borrowing with the capital financing requirement (CFR) – the CFR being amount of capital investment met from borrowing that is outstanding. Table 1 compares the CFR with actual borrowing.

Table 1 – Capital financing requirement compared to debt outstanding

	1 April 2014	30 Sept 2014	Movement in period
Capital financing requirement (CFR)	£336.5m		
Less PFI element	-£58.0m		
Net CFR	£278.5m	(*)£277.8m	-£0.7m
Long-term debt	£207.8m	£207.8m	-
O/s debt to CFR (%)	74.6%	74.8%	-0.2%

(*) projected 31 March 2015

Traditionally the level of borrowing outstanding is at or near the maximum permitted in order to reduce the risk that demand for capital investment (and hence resources) falls in years when long-term interest rates are high (i.e. interest rate risk). However given the continued volatility and uncertainty within the financial markets, the council has maintained the strategy to keep borrowing at much lower levels (as investments are used to repay debt). Currently outstanding debt represents 74.6% of the capital financing requirement.

Cash flow debt / investments
The TMPS states that “The council will maintain an investment portfolio that is consistent with its long term funding requirements, spending plans and cash flow movements.”

An analysis of the cash flows reveals a net surplus for the first six-months of £11.3m. The surplus has been used to increase investments (Table 2).

Table 2 – Cash flow April to September 2014

	Payments	Receipts	Net cash
Total for period	£471.6m	£482.9m	+£11.3m
Increase in investments			+£11.3m

Prudential indicators

Budget Council approved a series of prudential indicators for 2014/15 at its meeting in February 2014. Taken together the indicators demonstrate that the council's capital investment plans are affordable, prudent and sustainable.

In terms of treasury management the main indicators are the 'authorised limit' and 'operational boundary'. The authorised limit is the maximum level of borrowing that can be outstanding at any one time. The limit is a statutory requirement as set out in the Local Government Act 2003. The limit includes 'headroom' for unexpected borrowing resulting from adverse cash flow.

The operational boundary represents the level of borrowing needed to meet the capital investment plans approved by the council. Effectively it is the authorised limit minus the headroom and is used as an in-year monitoring indicator to measure actual borrowing requirements against budgeted forecasts.

Table 3 compares both indicators with the maximum debt outstanding in the first half year.

Table 3 – Comparison of outstanding debt with Authorised Limit and Operational Boundary 2014/15

	Authorised limit	Operational boundary
Indicator set	£381.0m	£370.0m
Less PFI element	-£58.0m	-£58.0m
Indicator less PFI element	£323.0m	£312.0m
Maximum amount o/s in first half of year	£207.8m	£207.8m
Variance	(*)£115.2m	£104.2m

(*) can not be less than zero

Performance

The series of charts in Appendix 2 provide a summary of the performance for both the debt and investment portfolios.

MONTHLY TREASURY MANAGEMENT BULLETIN

ISSUE NO. 06/14 **MONTH September 2014**

The graphs below show the monthly averages of borrowing and investments outstanding, monthly cashflows and the average monthly cost/return on debt/investments, over a thirteen month period.

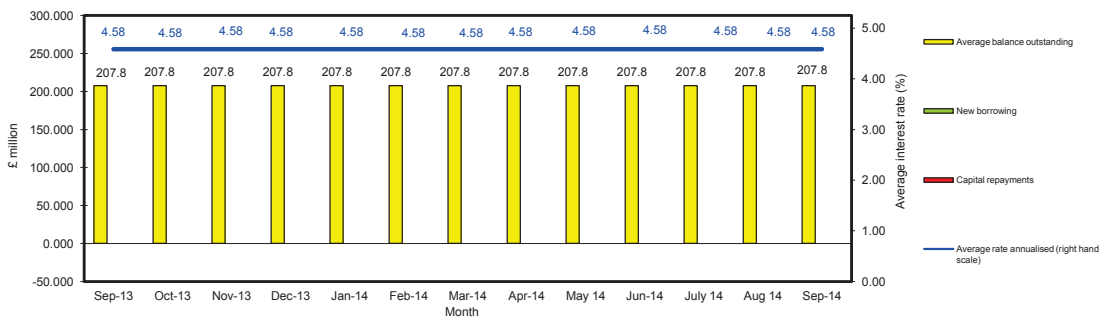
Graph 1

This graph shows the average monthly balance outstanding on long term debt, together with the average cost.

It also shows the amount of new long term debt raised and the repayment of long term borrowing. There has not been any new or repayment of long term debt during the past twelve momths

Graph 1 Long Term Debt Outstanding

Monthly averages



Graph 2

This graph shows the average monthly balance outstanding for:

- short term debt

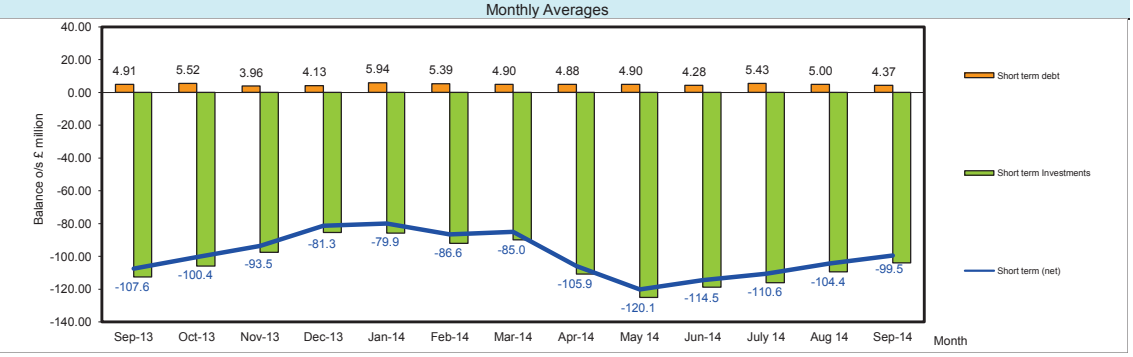
- short term investments

The graph also shows the net monthly cash position, excluding long term borrowing

Short term debt includes the monies held on behalf of South Downs National Park Authority.

Graph 2 - Short Term Borrowing / Investments (all)

Monthly Averages

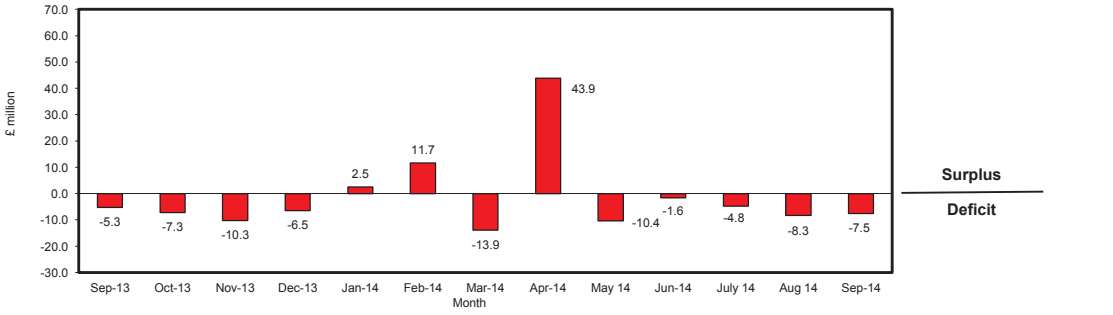


Graph 3

This graph shows the net monthly cash flow position, excluding movement in borrowing and investments.

Cashflow movements have resulted in a small deficit for the month.

Graph 3 - Monthly Cash Flows



Graph 4a

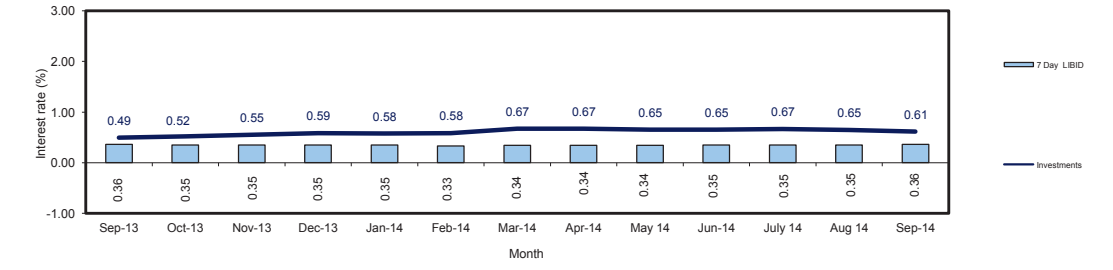
This graph compares the average return on short term investments with the average 7 Day LIBID rate.

The target is for the return on short term investments to exceed the 7 Day rate by 5% in a 12 month period

In house investments continue to meet the benchmark target rate of return.

Graph 4a - Short Term Investments -v- 7 Day LIBID (In house)

Monthly averages - annualised (to 2 dec pl)



Graph 4b

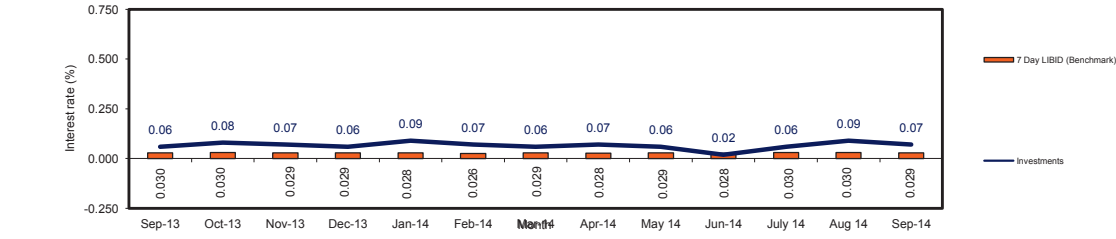
This graph compares the average return on the fund with a benchmark of 7 Day LIBID (compounded weekly).

The target is for the return on investment to exceed the benchmark rate by 5% in a 12 month period.

The cash manager performance fluctuates due to changes in the value of the investments. Performance has been above benchmark target levels in 11 of the past 12 months.

Graph 4b Short Term Investments -v- Benchmark Rate (Cash Managers)

Monthly actuals (to 2 dec pl)



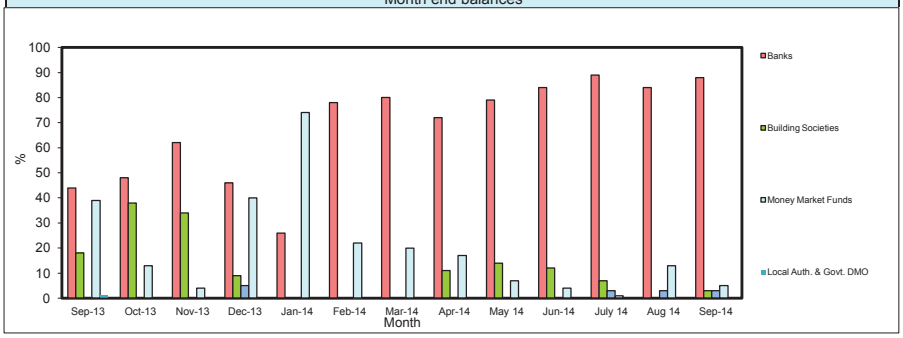
Investments by Sector

The 2014/15 Treasury Policy Statement states that with the exception of the banking sector and money market funds, no one sector shall have more than 75% of the investment portfolio at the time an investment is made. As at end of September 2014 investments were made as follows:-

	£m	
SWIP External Managers	25.397	
In-house Investments - Banks		
Close Brothers Limited	3.500	
Crown Agents Bank Ltd	1.500	
Lloyds Bank plc	7.526	
Lloyds Bank plc	16.000	
Royal Bank of Scotland	5.014	
Santander UK plc	3.009	
Standard Chartered Bank	13.501	
Virgin Money	2.000	
	52.050	**87.8 %**
Local Authority		
LANCASHIRE CC - PRESTON	2.000	**3.4 %**
Money Market Funds		
CCLA - Public Sector Deposit Fund	0.199	
Goldman Sachs Funds Plc	0.005	
Ignis Liquidity Fund	1.899	
Insight Liquidity Funds Plc	0.430	
Morgan Stanley Sterling Liquidity Fund	0.232	
State Street services		
SWIP GLF	0.494	
	3.259	**5.5 %**
In-house Investments - Building Societies		
Nationwide Building Society	2.000	
	2.000	**3.4 %**
TOTAL - In-house Investments	**59.309**	**100.0 %**

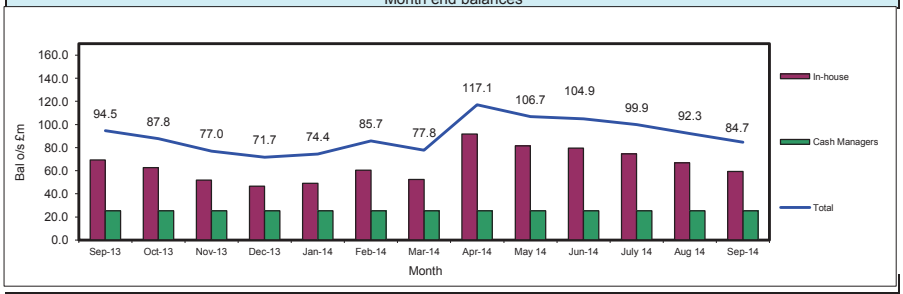
Graph 5a - Investments by Sector (In-house)

Month end balances

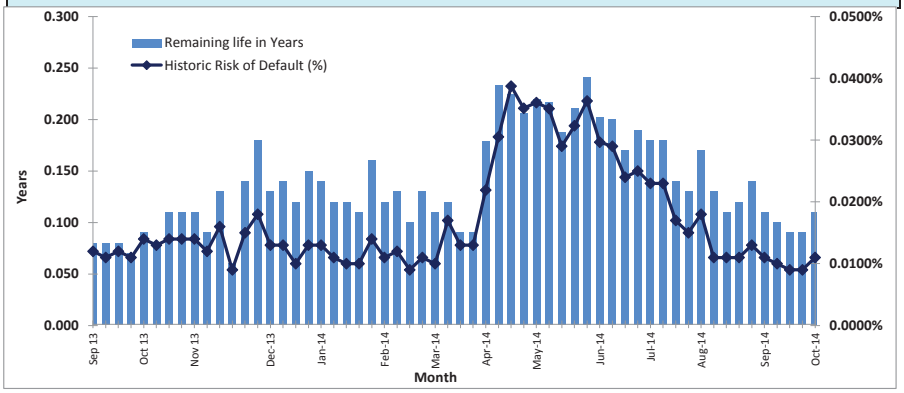


Graph 5b - Investments In-house -v- Cash Manager

Month end balances



Graph 6 - Security & Liquidity of Investments



Graph 6

Members agreed, as part of the 2013/14 Treasury Policy Statement, to set a maximum indicator for risk at 0.05%. Table 6 shows the risk factor to be well below the maximum set. Recent increases in the risk factor are due to lending for slightly longer periods with good quality counterparties to maintain investment returns as short-term rates in the market are falling.

Prudential Indicators (Treasury Management)

The Council sets each year a number of prudential indicators for treasury management. The following tables show that these indicators have not been exceeded in the month of September 2014.

Gross Outstanding Debt (£millions)	Debt	PFI
Authorised limit	323	58
Operational boundary	312	58
Minimum o/s	208	-
Maximum o/s	208	-

Net Outstanding Debt (£millions)	Debt	PFI
Minimum capital financing requirement	278	58
Maximum net debt o/s	123	-

Variable Rate Debt (%age)	
Maximum limit	40.0
Maximum amount o/s	0.0

(NB. The maximum limit for fixed rate debt is 100% and cannot therefore be breached.)

Debt Maturity Profile (%ages)	<12 mths	1-2 yrs	2-5 yrs	5-10 yrs	>10 yrs
Maximum limit	40.0	30.0	40.0	75.0	100.0
Minimum limit	0.0	0.0	0.0	0.0	50.0
Maximum o/s debt	1.9	1.4	2.8	13.7	80.2

POLICY & RESOURCES COMMITTEE	Agenda Item 95 Brighton & Hove City Council

Subject:		**Corporate Property Strategy & Asset Management Plan (AMP) 2014-2018**
Date of Meeting:		**4 December 2014**
Report of:		**Executive Director Finance & Resources**
Contact Officer:	**Name:**	**Angela Dymott** **Tel: 29-1450**
	Email:	**angela.dymott@brighton-hove.gov.uk**
Ward(s) affected:		**All**

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 To seek approval for the council's refreshed Corporate Property Strategy & Asset Management Plan (AMP) 2014-2018. This document follows on from the previous AMP and updates published on the council's website.

1.2 The document sets out the property context for the city and the council's holdings linking these to the council's corporate priorities and strategic goals. It provides a strategic overview of the council's property assets and the systems, processes and policies in place or being progressed to manage and maintain them. It also provides a framework for challenging and reviewing the reasons for continuing to hold council assets.

2. RECOMMENDATIONS:

2.1 That Policy & Resources Committee approve the Corporate Property Strategy & Asset Management Plan (AMP) 2014-2018 as set out in Appendix 1 of this report.

3. CONTEXT/ BACKGROUND INFORMATION

.

3.1 The 2014-2018 AMP contains the strategic property overview of the main council's service functions and significant priority areas in the City and sits alongside the council's Medium Term Financial Strategy. It covers regional and corporate plans and priorities, the asset strategy in Brighton & Hove and the delivery plan (Appendix A to the AMP). This is aligned to our Corporate Plan and the Sustainable Community Strategy outcomes to ensure that there is a golden thread of linked priorities, objectives and targets throughout our planning and delivery framework.

3.2 In this significant and challenging period for the council it is more important than ever that as a major landowner and occupier of buildings in the City the council reviews and justifies its holdings. We need to ensure that we are making best use of our assets for future service delivery, that our estate is fit for purpose,

enabling the council's modernisation agenda, collaboration and co-location with partners and optimising regeneration opportunities in the City

AMP 2014-2018 Summary

3.3 The council has a large property and land portfolio valued at £1.96billion (2014 balance sheet) including a substantial investment portfolio valued at £222m producing an annual income of £8.9m that contributes to the medium term financial strategy and helps to keep the council tax down. The AMP is intended to be used as a tool to help make the best use of the council's property assets linked to the council's corporate priorities, outcomes and property objectives to support and improve performance, service delivery, customer focus and facilities and regeneration opportunities for the City.

3.4 The AMP sets the property strategic context for the City and council, explains how property assets fit into the golden thread of our corporate planning framework, introduces the five revised property objectives with case study examples, our corporate landlord model and gives an overview of the specific service asset management strategies. The delivery plan is set out in the AMP's appendix and shows how the council will deliver its property strategy and also provides a manual for our asset management processes. It demonstrates service delivery and accommodation needs, One Planet Living principles, the review and challenge of the operational and non-operational (commercial) portfolios, financing, monitoring performance and data management and contains our asset management action plan.

Key Changes

3.5 We have revised and simplified our property objectives which are to:.
A : Provide the right buildings in the right place & condition to meet future service delivery needs
B : Deliver value for money property services and support the council's modernisation programme
C : Use One Planet Principles to reduce our environmental impact
D : Optimise the value received from our non-operational urban and agricultural commercial portfolios
E : Use our assets to enable new city development and regeneration.

3.6 We have challenged our urban and agricultural investment strategies informed by members tours and workshops. The recent static growth in the urban portfolio income is to be mitigated by a rebalancing strategy, disposing of non-performing assets and reinvesting in high performing assets with the aim of increasing our income to support service delivery. We will continue to identify non-core agricultural assets for disposal – ie surplus residential farm buildings not required as farming becomes more mechanised – by reinvesting part of the capital to improve core assets and to support service delivery.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The document is a best practice recommended requirement for all local authorities. It is structured to a format and content aligned to the RICS (Royal

Institution of Chartered Surveyors) guidelines and to CIPFA (Chartered Institute of Public Finance & Accountancy) guidance.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 Internal consultations have been carried out across the council and externally with our property agents. Members' tours and workshops have been held focusing on challenge to existing investment strategies resulting in changes to the urban and agricultural portfolio strategies.

6. CONCLUSION

6.1 It is best practice for councils to have an overarching property strategy and asset management plan to ensure the council is making best use of its asset base and achieving value for money. This needs to demonstrate the rationale for continuing to hold certain property assets and show how the property objectives link to the council's corporate priorities, contribute to the budget, improve performance, service delivery, modernisation of the council and provide diverse facilities for the city and enable regeneration.

6.2 The decision is required to endorse the adoption of the refreshed AMP 2014-2018 and enables the council to fulfil its commitment to deliver the outcomes for the City and the targets in the action plan.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The council's property portfolio has an estimated value of £1.96 billion and the management and maintenance of these assets plays an integral part in managing the council's financial position and performance. The capital and revenue costs of maintaining and running these assets are a significant part of the council's expenditure and therefore achieving maximum benefit from the asset base is a key principle of the Medium Term Financial Strategy. The AMP will ensure that the council is receiving value for money from its property assets, asset management is integrated with business planning and the council has effective financial management in making decisions related to its property assets.

Finance Officer Consulted: James Hengeveld Date: 06/11/14

Legal Implications:

7.2 Approval of the Corporate Strategy and Asset Management Plan is a function proper to Policy & Resources Committee. Making best use of the council's property assets is consistent with the council's legal duty (per section 3 of the Local Government Act 1999) to secure continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

Lawyer Consulted: Oliver Dixon Date: 30/10/14

Equalities Implications:

7.3 The documents set out ways to support and improve access for all services and major infrastructure programmes. Equalities Impact Assessment screening has identified one main area of impact – accommodation through the Workstyles Phase 3 programme which has an overarching EIA and service EIAs that sit underneath.

Sustainability Implications:

7.4 The document provides support to the One Planet Living principles, energy efficiency improvements to council buildings, access improvements to the City Downland Estate, encourages apprenticeships in construction, the use of sustainable building methods and materials and supports regeneration of the City enabling sustainable development.

SUPPORTING DOCUMENTATION

Appendices:

1. Corporate Property Strategy & Asset Management Plan (AMP)

Documents in Members' Rooms

None

Background Documents



Corporate Property Strategy & Asset Management Plan 2014 – 2018

Assistant Director of Property & Design
Finance & Resources Directorate
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www.brighton-hove.gov.uk

P&R REPORT APPENDIX v1.3 - November 2014

Brighton & Hove City Council

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Executive Summary

The council has a large property and land portfolio valued at £1.96 billion [March 2014]. The operational portfolio consists of 11,858 housing revenue account (HRA) residential units and in excess of 500 non-HRA properties. The non-operational commercial portfolio consists of approximately 630 properties, is valued at £222m, produces an annual income of £8.9m and contributes to the medium term financial strategy helping to keep council tax down.

The Corporate Property Officer, who also acts as the Corporate Landlord and City Architect, has overall responsibility for managing the council's property portfolio and producing the Asset Management Plan & Corporate Property Strategy (AMP). This provides a strategic overview of the council's property assets and the systems, processes and policies in place or being progressed to manage and maintain them. It also provides a framework for challenging and reviewing the reasons for continuing to hold these assets covering the period 2014-18.

This document sets out the property context for the city and the council's property holdings and functions linking these to the council's corporate priorities and strategic goals. It aims to ensure that the council's focus is on actions and outcomes that will maximise income whilst effectively supporting improved service delivery and customer satisfaction. The corporate property objectives are to:

- **A.** Provide the right buildings in the right place & condition to meet future service delivery needs
- **B.** Deliver value for money property services & support the council's modernisation programme
- **C.** Use our One Planet Living principles to reduce our environmental impact
- **D.** Optimise the value received from our non-operational urban & agricultural commercial portfolios
- **E.** Use our assets to enable new city development & urban regeneration

Through the strategic use of its property assets the council aims to achieve value for money, cost effectiveness and efficiency leading to higher levels of customer satisfaction, affordability, compliance with related statutory & regulatory codes, improved corporate management, environmental improvements, regeneration and enhanced partnership working arrangements.

The AMP has been consulted on across the council culminating with adoption by the Policy & Resources Committee.

1.1 Introduction

Welcome to Brighton & Hove City Council's Asset Management Plan & Corporate Property Strategy (AMP) covering the period 2014 to 2018.

Local government nationally is going through a period of enormous change. We know the city has fared better than some through the recession but there is no room for complacency. The cost of living in the city is still difficult for many and council services are under pressure as demand increases, populations grow and our funding from central government reduces by an estimated £104m over the next four years.

The solutions are complex and need to include changing the role of the council from direct service provider to that of 'facilitator', working collaboratively with residents and partners to deliver outcomes in new and more sustainable ways.

We know the Council will be smaller with the emphasis on our core purpose and therefore the workforce of the future will need the skills to provide public services in different ways and models of delivery. We will need to maximise opportunities for integrated and partnership working. The pace of change necessary to modernise public services for the city will require flexibility and the ability to respond positively in a way that demonstrates the organisations values and a culture that improves performance and value for money.

Property is our second largest resource after people and it is therefore more important than ever for the council, as a major owner and occupier of land & buildings in the city, to review and justify its holdings. The role of the Property & Design (P&D) team will be to use our assets to best effect, to understand and challenge services on their future operational property requirements, to identify & dispose of those assets which are performing poorly, to prioritise our limited financial & staff resources to our core assets and, with our partners, to find cost effective property solutions. For our investment portfolio the challenge will be to explore a new strategic approach to maximise capital growth and income balanced against corporate priorities, enabling regeneration opportunities and contributing to the well-being of the City.

P&D are well placed to meet these challenges, have well defined property objectives that reflect the corporate priorities and have already made major contributions to budget savings through the introduction of a Corporate Landlord model of working, asset rationalisation and the *Workstyles* modernisation programme.

However we recognise that this will not be enough to meet our budget reduction targets and further major challenges lie ahead. The AMP provides a framework for challenging the reasons for continuing to hold the council's property & land assets and to clearly demonstrate how these reasons link to our council city wide objectives and future service priorities through the Corporate Plan and the Sustainable Community Strategy.

The AMP is intended to be used as a tool to help maximise the benefits derived from our land and buildings in supporting service delivery, raising revenue through rental income, delivering on our corporate priorities & modernisation agenda, raising capital to enable investment and pump priming development and regeneration opportunities through the redevelopment of significant sites and strategic disposals. It also sets out how we intend to manage and operate our assets in the most cost effective way and adopt One Planet Living principles to reduce our environmental impact.

The Asset Management Team welcomes feedback on the content of this AMP and would ask for comments to be forwarded to amp@brighton-hove.gov.uk.

1.2 The City of Brighton & Hove

The city of Brighton & Hove is the largest urban centre on the south coast of England lying approximately 50 miles south of London and attracting in excess of 8 million visitors a year. The city has a population of 290,000 and a working age population of over 193,000 [2012].

The city is a popular base for London commuters and benefits from excellent communication links east/west via the A27/M27 and north to London via the A23/M23. It has direct rail connections both east to west and to the capital and international links via Gatwick airport which lies 25 miles to the north.

Brighton & Hove covers an area of 83 km^2 and is bordered by the English Channel to the south, the South Downs National Park to the north and neighbouring authorities to the east and west restricting the opportunities for expansion. It is therefore important that the city's brown field development opportunities are maximized.

The city has two universities and as a result 14% of the population are full-time students aged 16+ (compared with an average of 8.2% for England) many of whom stay to live in the city post-graduation. As a result Brighton & Hove has a young, well-educated working age population with more than one third of residents aged 20 to 39 and 46% of adult residents holding an HND or higher qualification. In contrast it is estimated that over 11,000 adult residents (6.1%) do not hold any qualifications [2012]. The city has a strong service sector economy with public services, education & health and financial & business services being rich sources of local employment.

Our Creative Digital & Information Technology sector now supports 13,000 jobs, contributes as much as tourism to the local economy is experiencing double-digit growth and is both nationally and globally connected. The city is a major tourist, leisure and conference destination and hosts a year round calendar of festivals and events.

Unemployment in the city is 8.5% which exceeds both the national figure of 7.8% and the 6.2% average in the south-east [2013]. The city has a strong entrepreneurial culture with 13.0% of working residents being self-employed compared with a national average of 9.5% [2013].

However, Brighton & Hove is a city of contrasts. Whilst it has weathered the impact of the global financial crises and flat-lining economy since 2008 relatively well and was rated the third fastest 'recovering city' in the country during the period 2009 to 2012 by centreforcities.org, it also has high levels of homelessness and a shortage of affordable housing. The average cost of a 3 bedroom house in the city is £226,000 compared with a national average of £160,000 [2013]. Nationally the city ranked as the 66th most deprived area out of 326 English authorities [2010 Average Index of Multiple Deprivation] and has identifiable deprivation hotspots particularly in the east of the city. The average weekly pay for full-time work in the city is £529 compared to £560 for the south-east region [2012].

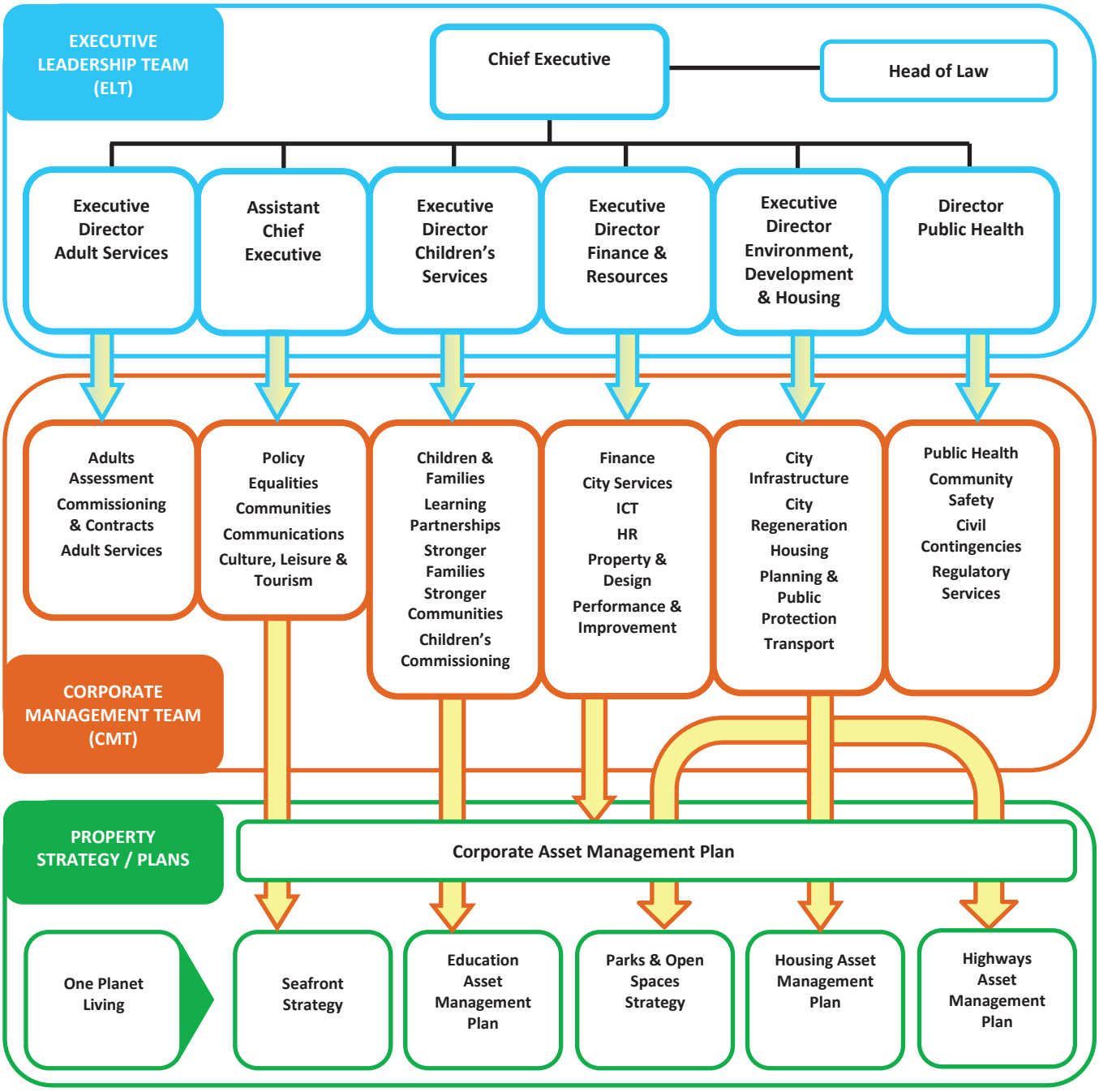
Our population is forecast to grow by over 5% in the ten years to 2021. In the decade to 2011 the largest increase in population has been in the under 65 age group up by 15% whilst the number of 65 and over decreased by 12%. However, the city still has a large and vulnerable cohort of both young and old leading to problems of housing, care and tackling increased needs with reducing resources.

1.3 Brighton & Hove City Council

Brighton & Hove city unitary authority was formed in 1997 and is represented by 3 Members of Parliament and 54 Councillors serving 21 wards and is the city's largest employer with 9,400 staff and a 2013 budget of £778m. The council operates a Committee system with decisions published in the council's committee work programme.

The council is facing major financial and service challenges as it adjusts to a significant reduction in central government funding. Financial pressures are affecting not just the council but all of our partners whether in the public, private or community & voluntary sectors. Therefore, along with our partners, we are working to ensure public spending continues to provide ever greater value for money services through proactive and innovative collaborative works & projects wherever possible.

FIGURE 1: Brighton & Hove City Council's corporate structure & asset management responsibilities



The council's Capital Strategy and Asset Management Plans are important vehicles to enable it to strategically plan and prioritise the use of its resources and assets balanced against service pressures, opportunity costs and value for money considerations. Recognising the importance of these links the authority has brought together the corporate finance and property functions into a single directorate as indicated in **FIGURE 1** above.

The formation of the city's Directorate of Finance and Resources brings together the service functions of Finance, ICT, HR, City Services, Property & Design and Performance & Improvement under a single executive director with the vision of ensuring a high performing, modernised council offering value for money for the council taxpayer.

The Property & Design division of Finance & Resources provides a strategic lead for the council's property portfolio and has corporate responsibility for the Asset Management Plan & Strategy and for the Corporate Landlord function. In addition Property & Design manage and maintain the council's non-housing property assets including schools, social care, environment, civic buildings and the commercial urban and agricultural portfolios.

The Assistant Director of Property & Design is also the Corporate Property Officer, Corporate Landlord and City Architect leading multi-disciplinary professional property teams offering consultancy architectural, building surveying, building services, facilities, estates, asset and energy management services.

1.4 Our Corporate Values

The council is here to serve the customers and citizens of the city and to gain the maximum value from our finite public funding. Our six organisational values describe the qualities every officer is expected to demonstrate when carrying out their job – Respect, Collaboration, Efficiency, Customer Focus, Creativity & Openness relating to work objectives – Accountability, Delivery, Working Together & Personal Impact. All officers are expected to live these values every day in order to achieve a high-performing workforce.

Each member of staff has a Performance and Development Plan which sets out their current work objectives related to the Service Business Plan so that they are clear on what they are being asked to achieve and have the relevant training and support not only to do this, but also to develop as people and professionals. We believe strongly in a motivated workforce that feels ownership for their individual roles and wider aims of the organisation for the benefit of the city.

2.0 REGIONAL & CORPORATE PLANS & PRIORITIES

2.1 The Corporate Planning Framework

The Corporate planning framework comprises an integrated suite of strategies and plans setting out our aims & expected outcomes and is described in more detail below. A golden thread of linked priorities, objectives and targets run throughout our planning framework providing clear and demonstrable links between the over-arching Sustainable Community Strategy, the council's Corporate Plan and the various strategies and plans below including this AMP. The specific links between our corporate and property objectives are further discussed in **SECTION 2.8** below.

2.2 Brighton & Hove: The Connected City – Our Sustainable Community Strategy

The external context for the AMP is set by our Sustainable Community Strategy (SCS) – 'Brighton & Hove: The Connected City' – that shapes the way in which we collaborate with other public, private, voluntary and community organisations through *Brighton & Hove Connected* – our local strategic partnership – to enhance the quality of life across our area and to contribute to sustainable development. It provides the context for the Economic Strategy, City Deal & City Plan and sets a vision for the city:

"Brighton & Hove – the Connected City. Creative, dynamic, inclusive and caring.
A fantastic place to live, work and visit"

Our latest SCS covers the period 2014 to 2017 and provides two over-arching principles – increasing equality and improving engagement. Under these key principles there is a more specific set of five priorities that our city partnerships will work collectively to deliver:

1. Economy
2. Children & Young People
3. Health & Wellbeing
4. Community Safety & Resilience
5. Environmental Sustainability

These priorities interlink with the council's corporate plan priorities and our own corporate asset objectives through our support to the local economy & businesses, regeneration & major infrastructure projects, ensuring school facilities are fit for purpose, improving the special needs, early years & adult social care services, maximising access to & enjoyment of the South Downs, developing the cultural sector, making the city a safer place & the cultural leader in the region and our One Planet Living approach & support for the Biosphere partnership.

Progress against these priorities is measured through our partnership performance framework. Targets for relevant performance indicators in the framework are set with responsible officers, thematic partnerships and partner organisations and are agreed by Members. The Performance Indicators Headline Report now also incorporates reporting on city-wide risks as identified by the City Management Board and Thematic Partnerships.

2.3 The Brighton & Hove Economic Strategy

This strategy was commissioned by the council and the Coast to Capital Local Enterprise Partnership (LEP) and sets out five key objectives which seek to build upon the city's economic assets and to underpin the new City Deal:

- To enhance the city's distinctive destination and lifestyle offer
- To grow quality jobs & business opportunities in higher value & low carbon sectors
- To better align job skills to projected needs

- To tackle barriers to employment and to create employment opportunities for all
- To establish a strong and influential Greater Brighton City Region

The document covers the period 2013 to 2018 with an action plan incorporating an achievable set of projects to drive the evolution of the city's economy.

The **Greater Brighton City Deal** agreement sets the framework for a 'City Region' approach to prioritising and delivering economic growth that will make a significant contribution to the Local Enterprise Partnership (LEP) target of creating 100,000 jobs by 2035 and supports its priorities for education, high growth enterprise and addressing critical infrastructure issues that are believed to be holding back growth.

The planned approach includes:

- To establish a network of Growth Hubs that commercialise expertise within our universities and embed a culture of university-business knowledge exchange and innovation across the region
- To develop a bespoke City Region skills system that is responsive to the needs of our high technology, service innovation businesses
- To test and extend new models of business and innovation support based in extensive business-to-business mentoring networks linked to the Growth Hubs

The City Deal is expected to deliver 1,300 jobs in the first six years rising to 8,500 over ten years bringing in £361m to the region, a £24.5m investment in the flagship New England House with an additional floor space of 7,000m^2 and, over the next eight years, £173m invested in creating a network of Growth Centres across the region and unlocking of sites to build up to 2,000 new homes.

2.4 The City Plan

This will be the council's key planning document providing the overall strategic vision for the future of Brighton & Hove to 2030. It will set out how the council responds to local priorities, meets the challenges of the future and identify the broad locations, scale and types of development needed together with the supporting infrastructure.

The draft plan was approved by full Council in January 2013 and:

- Identifies broad locations for development and allocates strategic and employment sites
- Sets out the council's strategic approach to housing, the economy, shopping and transport
- Sets a local housing target for the city to 2030 of 11,300 new homes
- Sets clear policies that will guide planning decisions on issues such as affordable housing provision, the protection of open space and ensuring new development is built to high standards
- Sets out the infrastructure requirements for the city & indicates how these will be provided
- Indicates how the plan will be implemented and shows how progress will be monitored

The draft plan is in public consultation until late 2014 at which time work will commence on part two of the plan which includes more detailed site allocations and development management policies.

2.5 The Corporate Plan 2011 to 2015

The Corporate Plan sets out Brighton & Hove City Council's strategic purpose, ambition, values and priorities for the next four years, describing how we will work to meet them. The Plan contains a commitment to openness and a strong focus on partnership working. It describes how the council will meet the current and on-going budget challenges and support the delivery of the city's Sustainable Community Strategy vision.

The current Plan (2011 to 2015) has four priorities:

- Corporate Priority 1: Tackling inequality
- Corporate Priority 2: Creating a more sustainable city

- Corporate Priority 3: Engaging people who live and work in the city
- Corporate Priority 4: Modernising the Council

For each priority the plan gives detail on what we want to achieve, our intended outcomes and the key areas of focus for us to do this, aligned to the budget setting process.

For the 2015 to 2019 Corporate Plan we have adopted the city's partnership vision, principles and priorities set out in the SCS (see **SECTION 2.2** above). Along with our own purpose and ambition we use these to help us plan, budget, deliver and review our services. The new plan will be in place by April 2015 and will show the way ahead for the council at a time when local government nationally is going through enormous change. We must not only meet our extreme financial challenges but also the needs of our residents and the city as a whole, tackling inequality within communities and protecting our environment.

2.6 The Medium Term Financial Strategy

The council's Medium Term Financial Strategy (MTFS) is a complementary document to the Corporate Plan providing the financial framework to support the delivery of the city's priorities and sets out the resources that will be available to meet them.

The MTFS is updated annually and covers both revenue and capital budgets making medium term forecasts about expenditure, funding and other resources.

We are currently experiencing a period of austerity and the MTFS anticipates the need for the council to identify new savings of about £104m in the four years up to 2019-20. This represents a reduction of 25% on the current [2013-14] gross budget. With the continual reduction in government grant funding the council needs to become more self-sufficient and plan for a resilient and buoyant local tax base in order to protect vital services in the city through, for example:

- Enabling new housing & student accommodation development to increase council tax income and the New Homes Bonus.
- Using our existing assets to generate income for investment and modernisation of council services.
- Using our City Deal (see **SECTION 2.3**) and our land & property assets to help deliver major projects on key sites across the city to increase future NNDR business rate income.
- Working with the Local Economic Partnerships to attract inward investment into the city.
- Applying for additional grants wherever possible to supplement local tax income.

The MTFS sets out the plans for each service area to meet spending and saving targets and to ensure that expenditure is prioritised to the agreed key areas.

One of the key objectives of the MTFS is to deliver savings by making best use of our asset base.

2.7 Service Priorities & Objectives

The high level objectives and priorities set out in the SCS and Corporate Plan are translated into service specific actions and targets through the council's business planning framework. This framework ensures that each service business plan links back to the Corporate Plan and is directly related to the corporate priorities and key areas of focus described in **SECTION 2.5** above.

The Property & Design Business Plan is monitored regularly, revised annually and sets out our annual targets in order to support & achieve the objectives identified in the Corporate Plan. Our business plan is a key element in the golden thread linking our Asset Management Plan and Property Strategy to the Corporate Plan and ultimately to the SCS.

The council's Performance & Risk Management Framework ensures that every member of staff has clear objectives connecting their role and contribution to the Corporate Plan. The resulting Personal Development Plans (PDPs) are produced annually between each member of staff and their line manager, form the basis of one to one discussions throughout the year and are more formally reviewed mid-year. PDPs aim to identify opportunities, mitigate against risk and are an integral element of each Service Business Plan for staff performance and development.

Corporate Modernisation Delivery Board – This board is led by the Executive Leadership Team (ELT) and has been established to drive the big changes needed to deliver service improvement, focusing on our key priorities and making the required budget savings. It will be the corporate decision maker for the modernisation programme.

The role of the Board will include securing spending authority and resources for the programme, approving deliverables, managing risk, monitoring delivery and supporting programme sponsors to ensure overall strategic coherence. The Board, which meets every four to six weeks, comprises members of the Executive Leadership Team plus key senior officers representing finance, HR, communications and commissioning.

Investment Board – This board is led by the Executive Leadership Team (ELT), has an external focus and will oversee and monitor projects including City Deal, regional and infrastructure investment within the greater city region. The board will meet three monthly.

2.8 Corporate Property Objectives

The Corporate AMP brings together all the strands of the Corporate Property Strategy to ensure that the council's focus is on actions that will effectively support improved service delivery and customer satisfaction whilst maximising income & capital growth wherever possible. The high-level corporate asset objectives listed below are designed to continue the golden thread linking back, through our directorate service business plans, to the corporate priorities set out in the Corporate Plan as indicated below:

A. Provide the right buildings in the right place & condition to meet future service delivery needs
(Meets Corporate Priorities 1, 2, 3 & 4)

B. Deliver value for money property services & support the council's modernisation programme
(Meets Corporate Priorities 1, 2, 3 & 4)

C. Use our One Planet Living principles to reduce our environmental impact
(Meets Corporate Priorities 1, 2, 3 & 4)

D. Optimise the value received from our non-operational urban & agricultural commercial portfolios
(Meets Corporate Priorities 2, 3 & 4)

E. Use our assets to enable new city development & urban regeneration
(Meets Corporate Priorities 1, 2 & 3)

The AMP explains, in practical terms, how the authority will work towards meeting the corporate property objectives over the next five years.

Property Objective A:

Provide the right buildings in the right place & condition to meet future service delivery needs

Why is this important?

Our operational assets must be aligned to our future service requirements in terms of number, location, condition, accessibility & fitness for purpose. It is vital that our buildings are contributing to our corporate objectives and assets that do not meet these criteria will be considered for alternative use or disposal.

Due to the continuing significant budget pressures we are facing during the life time of this document the way we will manage our assets must change. Property service efficiencies will continue to be sought but these will not address future budget gaps on their own and we need to use our remaining budgets in a more joined up manner. This will result in further disposals of non-performing assets and an inevitable reduction in service to other non-key buildings to minimum levels although health & safety compliance will remain a priority commitment.

What is our Strategy?

- **Matching property to service needs** - Service delivery is changing with major value for money & service reviews in progress across the council. Alternative delivery models are being assessed which will reduce our reliance on physical property such as through further alternative digitally based delivery of services. Property & Design (P&D) will rigorously challenge service departments on their future need for property assets. Through our Property Performance Review (PPR) process and in consultation with relevant parties will make difficult decisions on which assets to invest our limited resources and which to dispose of.

CASE STUDY

HOVE JUNIOR SCHOOL EXPANSION: Conversion of Hove Police Station

A current pressure on school places in the city combined with a lack of suitable sites for new buildings has led Property & Design to explore more innovative ways of expanding capacity in our existing schools. One of these has been the purchase of Hove Police Station, which was declared surplus by Sussex Police, for extension and conversion to form a junior school linked to the existing Hove Junior School. Some of the displaced police staff were accommodated in Hove Town Hall as part of our *Workstyles* programme.



Above: Hove Junior School Extension

The project provides for an additional four forms of entry through conversion of the original building and a new extension providing a new hall and additional classrooms.

From purchase in May 2013 by our estates & education team, our in-house architectural team designed and managed the project through our strategic construction partnership to completion on time and budget ready to welcome the first intake in September 2014.

- **Investing in our core property** – The council invests approximately £3.83m per annum in building repair and maintenance to protect its property assets through the Planned Maintenance Budget which covers all non-school and non-housing buildings. Allocation of this funding is targeted to maintaining our key assets through our Building Maintenance Strategy. Further details are provided in **SECTION 3.7**.
- **Continuing reviews** - Regular reviews of our property portfolio allows us to identify land or buildings that may be more suitable for alternative services or our partner organisations to enable a more efficient service delivery to the city allowing the council to take a strategic lead or to prioritise land & buildings for future investment. The reviews also identify buildings or sites that are surplus to requirements that can be disposed of as part of our Medium Term Financial Strategy or to enable regeneration in the city.

What are our key areas of focus?

- To make the best use of our operational property portfolio to match future service needs in conjunction with partners. To form action plans for properties that no longer meet our needs.
- To provide sufficient primary & secondary school places for future needs.
- To continue the council's commitment to improve the quality of existing council homes including the quality of our repair and maintenance service and to promote new housing sites within the city.
- To continue to prioritise our financial resources towards meeting corporate priorities in accordance with our Corporate Building Maintenance Strategy (see **SECTION 3.7** below). To invest in the maintenance & upkeep of key service and historic buildings in the city.
- To ensure continuing compliance with statutory and health & safety legislation including fire safety, water hygiene and asbestos management using best value solutions.
- To deliver the identified Equality Act compliance works programme to meet our annual target.

Property Objective B:

Deliver value for money property services & to support the council's modernisation programme

Why is this important?

Achieving value for money is a key corporate priority and the cornerstone of the Property & Design (P&D) Business Plan. P&D are continually reviewing and improving the way that we provide our property services with an emphasis on value for money solutions and customer focus. P&D also support services' value for money and business reviews to improve service delivery.

What is our Strategy?

- **Corporate Landlord** – During 2013-14 we introduced a new Corporate Landlord model of working which allows us to focus on the customer & maximise value, reduce risk, improve consistency & enable a unified property strategy across the council by centralising property functions & budgets and achieving service efficiencies. For further details see **SECTION 3.2**.
- ***Workstyles*** – Our *Workstyles* programme is a key part of the council's value for money modernisation agenda and has helped to make a cultural shift in the way we work whilst achieving significant savings in our core staff accommodation costs through rationalisation. Our objective is to improve service delivery & customer access whilst enabling flexible working for staff through the use of appropriate technology & locations. This also provides the council with significant savings & carbon reductions in line with the Corporate Plan. Further details are provided in **SECTION 3.6**.
- **Customer service centres** - Our accommodation strategy aims to ensure that the public can access services in the right place at the right time in line with our Improving the Customer Experience & the Digital Experience programmes described in **SECTION 3.10**. This is particularly important for our vulnerable service users where the accommodation of area based teams needs to be readily accessible.

CASE STUDY

BARTHOLOMEW HOUSE, HOVE & PORTSLADE TOWN HALLS: Customer Service Centres

A key element of our *Workstyles* transformation programme was the development of three Customer Service Centres (CSC) with the aim of providing easy access to a range of council services for our customers across the city. The first CSC opened in 2011 at Bartholomew House combining three previously separate public receptions. The second CSC at Hove Town Hall opened during 2013 providing planning, building control & parking payment services and gives flexibility to offer further services in the future. The third opened at Portslade Town Hall in June 2014.



- **Property service delivery models** – We operate an internal trading model under Corporate Landlord with a mixed service delivery provision of in-house and externally provided services. Our technical teams operate on a cost neutral basis and the fee income generated supports the in-house staff costs. Our intention is to build on this model to secure more fee income opportunities for the future.
- **Procurement** – We continue to maximise value for money from our construction procurement processes and have a mixed strategy of partnering, framework & traditional tender arrangements to suit each project. Wherever relevant we use existing frameworks collaborating with neighbouring authorities where joint procurement routes are beneficial. Partnering & framework options include the use of local labour and a commitment to apprenticeship schemes.

CASE STUDY
OUR STRATEGIC CONSTRUCTION PARTNERSHIP

Our Strategic Construction Partnership has achieved national recognition for best practice. The benefits of our partnering arrangements have now been realised with more projects delivered on time and on budget, reduced financial risk to clients, improved client satisfaction with completed buildings, reduction in defects at handover, a non-adversarial relationship & cashable savings to the authority. The council entered its third 'Strategic Construction Partnership' in 2014.



What are our key areas of focus?

- To complete our *Workstyles* programme & continue to rationalise our core office buildings.
- To continue to develop our Corporate Landlord model with the aim of extending our services to cover all appropriate operational property and property related services and expenditure.
- To continue to explore alternative procurement methods & ensure best value from our maintenance budgets
- To establish a sustainable relationship with schools through the Services for Schools agreements.
- To continually improve our services and increase customer satisfaction.
- Rationalise our property information to a centralised database.

Property Objective C:

Use our One Planet Living principles to reduce our environmental impact

Why is this important?

The council has committed to the principles of One Planet Living and have become the first accredited One Planet City in the world. Property & Design lead on three of the work-streams – Zero Carbon, Sustainable Water & Zero Waste.

The rising cost of energy is imposing a severe pressure on budgets that are already stretched. At the same time the need to reduce our carbon footprint has led to our commitment to reduce energy consumption throughout our operational property portfolio with a consequent reduction in both cost and CO_2 emissions. New and improved technology has provided the opportunity for cost effective sustainable energy generation and we are committed to providing this where practicable and cost effective.

What is our strategy?

- **One Planet Living** - The council have committed to a detailed sustainability action plan through our One Planet Living accreditation. The benefits arising from this initiative are already being realised.

CASE STUDY
WASTE REDUCTION INITIATIVES USING WARPit & FREEGLE

WARPit is a web based service that council staff can use to redistribute resources such as furniture, fixtures and fittings and stationery thereby reducing disposal costs, carbon emissions and the volume of waste sent for disposal. The council's WARPit site is linked with partners in the public & third sectors offering a wide local network of items for redistribution.

In addition substantial savings have been made through use of *Freegle* allowing us to offer surplus furniture items to the third sector, public sector or local community. *Freegle* was used for the clearance of our Bartholomew House civic office during 2013 and resulted in a council saving in removal costs with nearly 17 tonnes of goods re-used and an estimated carbon saving of 7,650 Kgs.

- **Identifying waste** - Setting a reliable and accurate baseline against which our energy & water reduction achievements can be measured. The equipment provides an essential tool to identify trends & unusual or necessary gas and electricity consumption and early identification of water leaks.
- **Designing out waste** - Reducing our energy usage wherever possible will reduce our corporate costs and help to insulate us from the current trend of rapidly rising energy costs. Our design teams are committed to reducing the carbon footprint of our new build & improvement schemes through a sustainable design standard & specification of materials in line with our procurement strategy.
- **Renewable energy** - A commitment to purchasing 100% renewable energy through our electricity supply contract reduces the council's overall CO_2 emissions from our operational portfolio with a consequent reduction in our impact on the environment.
- **Water Reduction** – Implement water reduction strategies and protect the city's water supply.

CASE STUDY
NEW BUILD ENERGY EFFICIENCY PROJECTS



Our in-house architectural design team have committed to working to a Sustainable Building Design. This currently includes the requirement to design new non-residential buildings to a minimum BREEAM standard of 'Very Good'. For other conversion and smaller projects that still require planning approval a One Planet Sustainability Checklist has been developed to ensure that all elements of sustainable design have been considered, integrated and challenged. Our use of the Sefaira web tool (see case study below) is key to achieving this. The Checklist ensures that all practicable opportunities for renewable energy schemes are considered. Examples include:

- Photovoltaic panels at Bartholomew House, Hove Town Hall & Moulsecoomb Hub
- Air source heat pumps at Whitehawk, Somerhill, Westdene & Goldstone schools
- Ground source heat pumps at Longhill & Balfour schools
- Wind turbines at Downs View Link College, West Hove and Whitehawk Children's Centres and
- Solar thermal panels at Longhill, Balfour, Davigdor, Westdene, Goldstone & Queens Park schools

What are our key areas of focus?

- To meet One Planet Living aspirations for the city through the implementation of the council's sustainability action plan.
- To improve the status of our groundwater by working with partners to protect the city's water supply with a focus on reducing pollutants, minimising water loss at source and reducing water demand.
- To implement further sustainable and energy efficient solutions within our new-build & maintenance programmes of work including energy efficiency measures & re-cycling of materials.
- To develop and promote further internal re-cycling and re-use initiatives.
- To target available investment in energy efficiency works within our retained operational properties to achieve year on year financial savings and carbon reductions.
- To finalise our energy supply procurement strategy.
- Our water reduction strategy.

Property Objective D:

Optimise the value received from our non-operational urban & agricultural commercial portfolios

Why is this important?

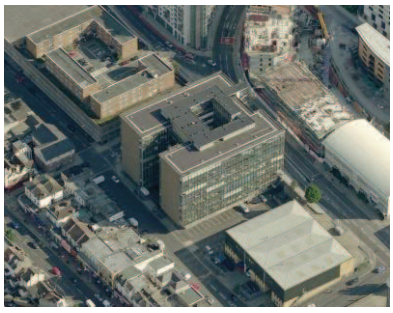
The council is fortunate to have a large number of non-operational commercial assets, which include an urban and agricultural portfolio, with a combined value of approximately £200m that provides an annual rental income in excess of £8.5m per annum (as of 2014) which helps to support the council's medium term financial strategy. The urban portfolio consists of largely retail, office and industrial interests. The agricultural portfolio includes ownership of about 10,500 acres of Downland farmland. The Property & Design Estates team manage the non-operational portfolios both directly and indirectly through two externalised five year specialised consultancy contracts.

We aim to support the local economy, maximise rental income from the urban & agricultural portfolios and derive the optimum benefit from surplus property either through a capital receipt on disposal or by seeking an appropriate alternative use and promoting the regeneration of areas through comprehensive site assembly.

What is our strategy?

- **Urban commercial portfolio** - To re-balance the urban portfolio through a programme of disposals for under-performing assets and investment in primary assets generating a healthy income to support service delivery (see **SECTION 3.4**).
- **Agricultural commercial portfolio** - To identify the non-core agricultural assets for disposal using the capital receipt in part to improve the core assets and to support service delivery (see **SECTION 3.5**).
- **Support for small businesses** - We aim to support small and local businesses through the strategic use of our non-operational properties.

CASE STUDY
THE GREATER BRIGHTON CITY DEAL – NEW ENGLAND HOUSE



New England House (NEH) – see right - features in our City Deal as the Greater Brighton City Region's flagship project. NEH is a council owned 11,000m^2 building & one of the major hubs for Brighton's thriving Creative, Digital and Information Technology (CDIT) sector. It accommodates around 100 businesses, mainly from the CDIT sector, who employ approximately 1,000 people and many more indirectly through supply chains.

It is extremely popular with businesses in the CDIT sector because of its affordable and flexible leases, its close proximity to Brighton railway station and the clustering of similar companies in the building. It is also the base for Wired Sussex, the well-respected and influential sector representative organisation.

There are currently [2014] 95, CDIT businesses on the waiting list for space at NEH, but there is an identified market failure in the provision of move-on space, both in NEH and the city generally.

Options are being explored to reconfigure and possibly extend NEH so that it becomes a credible and highly visible hub for Greater Brighton's CDIT sector businesses providing a balanced range of offices to accommodate start-ups and to retain larger businesses within the digital quarter.

Property & Design are working with colleagues in the City Regeneration Unit, Finance and the City Deal team to develop a business case for reconfiguration. The project has been allocated £4.9m funding through the City Deal.

- **City Downland Estate Policy** - Our agricultural estate has been reviewed to secure more sustainable management of the Downland surrounding the city. Our City Downland Estate Policy aims to 'reconnect the people of Brighton & Hove to a more diverse Downland with better education, improved access and better sense of connection to the land'.

CASE STUDY
DOWNLAND OPEN ACCESS

During 2012 the council successfully negotiated terms for three new farm business tenancies to include permissive open access rights where previously there were none, thereby substantially increasing the amount of open access land available on the City Downland Estate. An additional area of land leased to Plumpton Agricultural College has been included in this initiative. To further protect these rights the land has been dedicated in perpetuity as public access land under the Countryside & Rights of Way Act 2000 (the CRoW Act). This supports a key council objective to increase adult participation in active recreation.



What are our key areas of focus?

- To implement our non-operational asset strategy: re-balancing of the urban commercial portfolio and disposing of non-core assets within the agricultural commercial portfolio.
- To contribute to the Downland Advisory Board on improvements to the City Downland Estate and to work with partners to conserve and improve the enjoyment of the natural environment in and around the city.
- To support the HLF bid and produce a new master plan to regenerate and renew Stanmer Park and the farm buildings working with the South Downs National Park Authority and local stakeholders.
- To lead & support the City Deal investment in the flagship New England House creative and digital hub.
- To support the Biosphere Reserve programme.
- To continue to maximise income from our commercial portfolio and look for development opportunities to improve our industrial estates.
- To continue to support local small & medium enterprises (SMEs) through flexible leases and other business initiatives.

Property Objective E:

Use our assets to enable new city development and urban regeneration

Why is this important?

The council recognises that major infrastructure projects and comprehensive land assemblies that regenerate key sectors of the city and provide quality facilities for our citizens can only be achieved through innovative partnerships with local businesses, community, voluntary and both public & private sector partners. This ensures the very best mix of skills & potential funding opportunities. Brighton & Hove has few available site options for development expansion and it is therefore vital that every opportunity is taken to facilitate redevelopment and urban improvement plans identified within our Local Development Framework. Our objective is to support, through site provision, comprehensive site development, joint ventures, design, estates management & general property advice, such major infrastructure projects throughout the city.

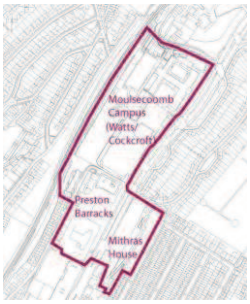
What is our Strategy?

The council is currently supporting various major development projects in the city through a combination of partnership working, site provision, contributory funding and property & design advice.

- **New Housing** - Following changes to housing Right to Buy legislation the council is starting to develop its own sites for much needed additional housing where Property & Design services are vital in achieving this outcome.
- **Supporting small businesses** – Supporting and investing in our existing industrial starter units as a means to encourage and nurture small businesses thereby contributing to the local economy working in partnership with the University of Brighton.

CASE STUDY
THE GREATER BRIGHTON CITY DEAL – PRESTON BARRACKS GROWTH HUB

Preston Barracks is a 2.2 Ha site – see right - which the council purchased from the MoD when it became surplus to their requirements. The site lies adjacent to the University of Brighton Moulsecoomb Campus site and opposite the University's Mithras house building on the A270 Lewes Road in Brighton, a total site area of 8.6 Ha.



A planning brief was approved in 2011 to take forward the comprehensive redevelopment of council and University land. This seeks a mixed use across the development area with pedestrian and cycle links to the adjacent railway station and residential areas. Land uses include office & employment, higher education, housing, student housing and ancillary uses including retail.

The council is currently negotiating the disposal of the council owned site to the University as a means of unlocking the redevelopment; a scheme the University will deliver in partnership with the Cathedral Group.

The 'Central Research Laboratory' is at the heart of the planned scheme receiving £7.7m of central government funding through the City Deal. This will be a world-class research, design and support facility for manufacturing start-ups in Brighton and Hove and the wider East Sussex area; a facility that will become a hub for innovation, turning inventors / craftspeople / makers into fully commercialised entrepreneurial companies.

Major projects - Our major project developments are key to successful regeneration and economic growth within the city providing excellent facilities and encouraging tourism and inward investment.

CASE STUDY
THE i360 VIEWING PLATFORM

Construction of a 170m high viewing tower commenced during the summer of 2014 as a major boost to tourism in the city. The council has agreed to borrow £36.2m from the government to enable the project to commence and spur the wider renewal and regeneration of the western end of the city's seafront. The Brighton i360 will provide a boost to our economy.



It will generate more than 440 permanent jobs - 169 jobs at the attraction plus additional jobs from the spin off benefits to other businesses located in the city. The Brighton i360 is expected to attract over 700,000 visitors a year from existing tourists to the city, and also to bring 165,000 to 305,000 new visitors to the city who will all spend money in local shops, restaurants, and at the other attractions. In total it is expected that the i360 will inject between £13 million and £25 million of additional revenue into the local economy annually. The i360 is designed by the Marks Barfield Architect team behind the London Eye.

What are our key areas of focus?

- To actively seek potential development opportunities throughout the city using our own land and property assets wherever possible to pump-prime larger developments.
- To increase the supply of ready to develop housing sites by identifying opportunities to build homes on council land.
- To act as developer and use our in-house teams to develop suitable sites for residential use in conjunction with the housing and regeneration boards.
- To support the development of new extra care housing and supported accommodation units to help people with complex needs to remain in the community.
- To support the development of the seafront (see **SECTION 3.9** below).
- To continue to work with our partners and provide property & design support to major infrastructure projects within the city. To formalise development options for our major projects including the Brighton Centre.
- Support the City Deal, Local Enterprise Partnership (LEP) and Brighton Regional Economic Growth Board in achieving the regeneration outcomes of the city.

3.0 ASSET MANAGEMENT IN BRIGHTON & HOVE

3.1 Corporate Arrangements for Asset Management

The Corporate Property Officer (CPO) is responsible for the contribution that the council's land & property assets make to support the delivery of the corporate objectives and strategic priorities. Business and service aims are set out in the Corporate Plan and divisional business plans.

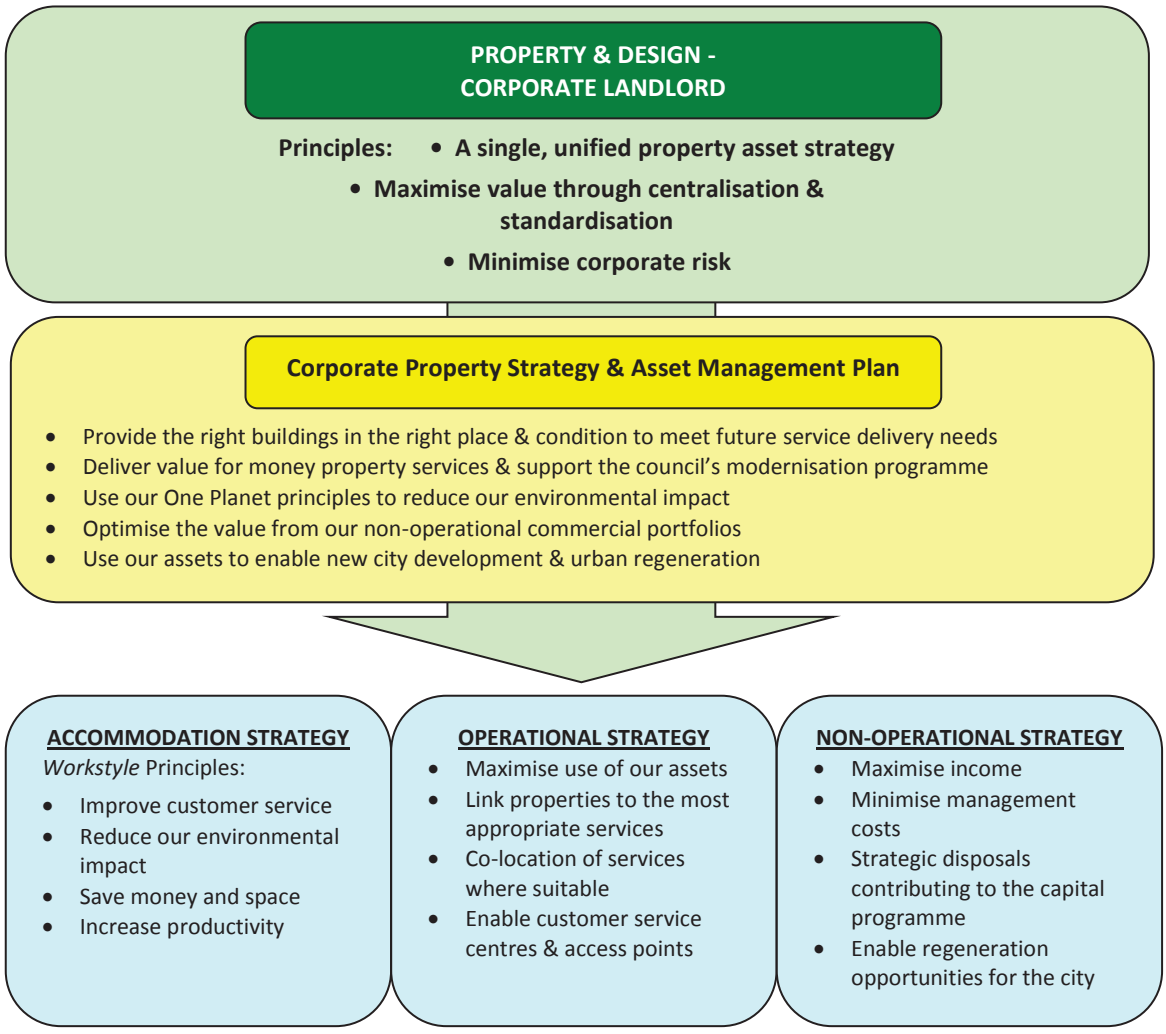
The CPO works across the council and service teams giving corporate property advice and support and operates a Corporate Landlord model. The CPO reports on property and asset related matters to the Director of Finance and Resources and to the Executive Leadership Team (ELT), consisting of the Chief Executive and service directors. The CPO and members of the Corporate Asset Management Team regularly attend DMTs of other directorates to advise on programmes of work, business and service reviews & property resource issues as well as to receive feedback on maintenance and accommodation issues.

Property & Design support service reviews and the implementation of changes in service delivery and lead the city's Public Sector Property Group reporting to the City Management Board.

3.2 Our Corporate Landlord Model of Asset Management

Brighton & Hove City Council's 'Corporate Landlord' model of working was implemented by Property & Design in April 2013 following a period of 18 months development and collaboration with heads of services. It aims to improve the utilisation, efficiency and effectiveness of the council's property assets focusing on three main principles as shown in **FIGURE 2** below.

FIGURE 2: Our Corporate Landlord Model



Corporate Landlord has resulted from the following drivers:

- To develop a co-ordinated asset strategy for the council, making the best use of assets in line with the council's strategic priorities
- To regenerate areas of the city enabling facilities and opportunities for residents & visitors
- To demonstrate a customer focused & commercial property management service
- To contribute to the council's Value for Money modernisation programme and modernisation of the council leading the *Workstyles* projects, aligning with BPI and customer access
- To maximise the benefits of joint and collaborative working with partner organisations
- To manage increased pressures around property statutory compliance
- To reduce the council's carbon footprint

A Corporate Landlord health-check undertaken by CIPFA in 2014 showed that our Corporate Landlord model was embedded and working well.

3.3 Operational Property Strategy

Property & Design are responsible for the maintenance and improvement of non-housing operational property assets including social care, schools, leisure & civic buildings. Our strategy is to:

- Challenge services on their continued need for their property assets in the light of future service delivery needs and to seek alternative solutions where properties are unfit for purpose or surplus.
- Prioritise investment to our key assets taking into account future service needs, levels of maintenance required, energy efficiency, health & safety issues and accessibility.

Our operational property strategy provides a framework for achieving three of our five property objectives discussed in **SECTION 2.8**:

A. Provide the right buildings in the right place & condition to meet future service delivery needs

We work with directorates to support their service delivery reviews. Through regular Property Performance Reviews (PPR) we aim to link service delivery aims to our property assets ensuring that our buildings are in the best possible condition, in the right location and are fit for purpose.

Operational properties declared surplus to requirements following assessment by the relevant service department revert back centrally through Property & Design for options appraisal on alternative uses or for disposal.

B. Deliver value for money property services & support the council's modernisation programme

The *Workstyles* programme is a key element of our accommodation strategy. We are seeking further savings on our maintenance and improvement programmes through the continued use of innovative procurement methods.

C. Use our One Planet Living principles to reduce our environmental impact

The council recognises the impact that our properties have on the environment in terms of energy use and carbon emissions as well as on our budget in terms of increasing energy costs and the effect of the Carbon Reduction Commitment scheme.

3.4 Non-Operational Urban Commercial Property Strategy

The council's urban commercial investment portfolio produces an annual income of £8.4m [2013-14] that contributes to a reduction in council tax levels. It is mainly managed by Cluttons through a five year consultancy contract tendered during 2012 through the Official Journal of the European Union (OJEU) with a small proportion of sensitive properties managed in-house.

We work jointly with Cluttons to ensure that the council's financial, community, economic and social regeneration aims and objectives are achieved and that the portfolio's performance demonstrates justification for its retention.

In their latest annual strategic report Cluttons have noted that as of June 2014 a more upbeat economic confidence is now being reflected in the UK commercial property market as investment reaches a three year high. Although much of this activity has been concentrated in central London, the appetite for increased risk has extended to the south-east region too.

The local property market has been less hard hit than many other south-east locations and the city has seen a slight upswing in commercial investment activity evidenced by some recent major acquisitions by private investors. However, commercial development activity in the city remains limited although signs of renewed interest are emerging including the Cathedral Group's Grow Brighton scheme at Circus Street which has received detailed planning consent.

Our new headline strategies for this portfolio are:

- **Portfolio Re-Balance**

  The income from the existing portfolio has been remarkably resilient over the last decade with very few voids due to close management of the portfolio. However, rental growth potential has been limited partly due to the effects of the recession but also due to the quality of the portfolio.

  The portfolio has been built up randomly over decades often for reasons other than financial return including large scale town planning proposals in the 1960s which required road widening schemes, slum clearance and the formation of the city's housing estates. However a number of these schemes never came to fruition and the properties have been held ever since.

  From a purely financial investment perspective the portfolio is not therefore fully fit for purpose and returns over the medium to long term could be improved, and risk reduced, by re-balancing.

- **Regeneration**

  Whilst a substantial part of the portfolio is suitable for re-balancing to achieve prime status, other parts are held for other reasons and provide only a low income stream. In particular the council holds the freehold of a number of industrial estates enabling regeneration in support of the local economy and our strategy is to continue to seek such regeneration opportunities across the portfolio.

- **Asset Management Strategy**

  The ability to identify and implement opportunities to add value can result in an improved asset and also an unexpected windfall payment. Given the current financial restraints and the need to raise capital these are important areas for our strategy. Lease restructuring on the industrial estates is one such area for enhancing values. Other areas include restructuring of other long leasehold properties, considering opportunities where marriage value windfalls may arise through working with adjoining owners and seeking payments for lease variations.

This work will be reviewed by the Investment Board described in **SECTION 2.7** above.

3.5 Non-Operational Agricultural Commercial Property Strategy

The council's agricultural estate extends to 10,500 acres (4,400 hectares) with an annual rental income in 2013-14 of £528k. The agricultural property portfolio is managed on our behalf by agricultural specialist consultants Smiths Gore through a five year consultancy contract that was tendered through an OJEU compliant procurement process during 2012.

We work jointly with Smiths Gore to formulate strategies for the agricultural and rural estates. Smiths Gore produce an annual report setting out the overall strategies for maximising performance across the portfolio as well as specific strategies relating to individual properties and sites.

Through the council's ownership of the agricultural estate, in addition to considering the estate as part of their overall property investment portfolio, it is presented with the opportunity to deliver on conservation and social well-being issues as set out in the City Downland Estate Policy.

The IPD Rural Property Investment Index analysis (12 months to December 2011) shows that the City Downland Estate is performing just below the IPD Rural Benchmark.

This is a good result bearing in mind that the benchmark index includes specialist investment owners who are not necessarily constrained in the same way as the council in their approach towards investment opportunities and the decision making process.

The Council is seeking to identify and dispose of under-performing assets whilst retaining the social related benefits of land ownership and mitigating any reduction in rental income. To achieve this we have reviewed all assets within the Agricultural Portfolio identifying 'core' (for long term retention) and 'non-core' (available for disposal) property assets for which separate investment, disinvestment and reinvestment strategies can be developed.

3.6 Accommodation Strategy

The Corporate Plan sets out the council's priorities, one of which is 'Modernising the Council'. Our *Workstyles* accommodation strategy is an integral and cross-cutting part of our VfM4 modernisation programme which aligns with our Property Objective C (see **SECTION 2.8**) and aims to rationalise our office accommodation and explore all opportunities for co-location with other services and public sector organisations whilst improving customer service.

The accommodation strategy is also closely aligned to the Customer Access Programme '*Improving the Customer Experience*' described in **SECTION 3.10B** below as this will have a major impact on our future accommodation needs.

The *Workstyles* programme is bold in scale and scope and fits alongside the council's broader organisational development. In addition to the opportunities for revenue savings through the disposal of both leasehold and freehold property, the programme generates funding through capital receipts for essential investment in the remaining property and in ICT infrastructure. Providing up to date technology, the ability for staff to work more flexibly and appropriate working environments is an essential part of improving the efficiency of services and contributing to the council's broader budget saving requirements.

The *Workstyles* programme centres around our main core administrative buildings. Two phases of the programme have already been completed and our plans for *Workstyles* Phase Three are in progress. The benefits of the *Workstyles* programme to date [2014] include:

- Revenue savings through lease surrenders and disposals (up to £800k per annum achieved to date through phases 1 & 2)
- Increased flexible working for staff, managing workload, work times and work / life balance leading to productivity savings (1,250 staff in scope for phases 1 & 2)
- A more adaptable and productive workforce
- Reductions in the number of operational properties and improvements in working environments providing opportunities for efficiency savings (1 lease surrender, 7 disposals and 6 refurbishment projects during phases 1 & 2) 49% including phase 3.
- An improved environment for customers & staff
- Opportunities for efficiency and productivity savings for services
- Energy & carbon savings (over 30% reduction in the carbon footprint for staff in the scope of phases 1 & 2)

The Workstyles project is overseen by the Modernisation Board described in **SECTION 2.7** above.

3.7 Building Maintenance Strategy

This document sets out a strategic framework within which to identify, prioritise, plan, manage and monitor the maintenance of the council's non-housing operational property portfolio and underpins the AMP. This has become more important since 2012 with the introduction of our Corporate Landlord model of working when a large number of maintenance budgets were centralised and are now managed by Property & Design. In order to deliver the maximum value for money from these budgets it is essential to prioritise funding and to seek procurement and other savings wherever we can without compromising our overall service and repair obligations.

Reactive maintenance (where a previously unforeseen repair is required) can be both expensive and disruptive. Our aim is to restrict these works to a maximum of 30% of our total maintenance budget in accordance with guidelines and good practice. By continuing to survey each of our assets on a rolling five year programme we aim to develop future programmes of preventative works which have been prioritised on a consistent basis. This will allow us to more accurately predict future funding requirements and ensure that available funds are targeted to the right buildings allowing us to control further increases in our reported required maintenance.

3.8 Education Asset Management & School Places Strategy

Education Asset Management Plan

The asset management strategy for the council's school buildings is set out in the Education Asset Management Plan which is refreshed annually and is linked to the specific plans compiled by the individual schools.

The main aim of the document is to provide an agreed basis for determining priorities for the use of available capital resources to ensure that the learning environment contributes to raising educational standards. This is the framework within which schools may apply their devolved capital funds, the LEA can make decisions in a fair and transparent manner on priorities for development, partnerships can be developed and the most efficient and effective use can be made of available funding.

The Education AMP provides for the collection of data on the condition and sufficiency of school buildings as a means to identify where funding should be prioritised including:

- Modernising accommodation to help raise standards
- Addressing surplus places and over-crowding issues where they exist
- Identifying solutions to condition issues
- Ensuring that schools are accessible

B&HCC, as local education authority, lead in the development of the AMP linking the AMP objectives to the corporate priorities particularly in respect of Corporate Priority 1 – Tackling Inequality – by ensuring that our schools offer the best possible environment for learning.

School Places

Over the last few years we have expanded primary provision in the city to meet the growth in pupil numbers. This has included bringing back into use a Grade 2 listed Victorian primary school which had most recently been used by a further education college to deliver adult learning and a former police station which was converted into a 4 form entry junior school. There are now sufficient primary places in the city overall although a shortfall remains in Hove. We are continuing to work with our primary schools to identify opportunities to provide additional places where possible.

The main focus for the next few years will be looking to add provision in the secondary sector to meet the demand for places as children move through the system. We are currently working with secondary head teachers, Members and principals of sixth form colleges to develop a strategy for providing more places. It is likely that this will be a mixture of expansions of existing schools, new provision and working with schools with surplus capacity to maximise their intake into Year 7.

A site search has recently been undertaken to identify possible sites for new provision and these are currently being investigated for suitability.

We will continue to work with the Free Schools and Academies in the city and the Education Funding Agency (EFA) on prospective new Free Schools and Academies.

3.9 Other Service Strategies

A. City Housing Property Strategy

The city's current housing strategy covers the period from 2009 to 2014 and aims to address three key issues of housing supply, housing quality and improving housing support.

Priority One: Increasing Housing Supply

The city's resident population of 273,000 is housed in 122,000 homes - an average of 2.2 per home against the national average of 2.4 – and is the sixth most densely populated area in the south-east with pockets of over-crowding particularly within the private rented sector. The population is expected to rise by 6% by 2021 and together with the lack of available development land in the city this puts pressure on our housing supply.

The city has relatively high property prices with an average house price of £242,535 in February 2014 compared with an average of £223,733 for the south-east region and £173,000 nationally although the average wage was £529 per week in the city compared with an average of £556 per week in the south-east.

Priority Two: Improving Housing Quality

Brighton & Hove was ranked as the 66th most deprived authority in England out of 326 authorities in the 2010 Index of Deprivation. This means that the city is within the 20 per cent most deprived authorities in England. There is a high incidence of non-decent housing across all tenure types but primarily affecting the vulnerable.

Priority Three: Improving Housing Support

It is estimated that 25% of the city's households contain a member with a disability or long-term health problems and the city has high levels of mental health, physical disability and drug use issues.

With an expanding older population in the city, extra care housing is considered critical as an alternative to residential care to maintain the quality of life of local people and to reduce the pressure on public finances.

The new draft housing strategy is currently being widely consulted upon and is due to be launched during December 2014. The new document is expected to focus on five priority areas:

- **Priority 1**: **More Affordable Homes**
  Includes making better use of our housing stock & supporting households to downsize & maintaining a development pipeline of new affordable housing.
- **Priority 2: Healthy Homes**
  Includes ensuring new housing is built to a high quality, ensuring landlords maintain their homes in a safe condition, tackling non-decent housing and improving energy efficiency.
- **Priority 3: Supporting People in Need**
  Includes preventing homelessness, extra care housing and supporting vulnerable people including those with physical disabilities, mental health, drug or alcohol problems.
- **Priority 4: Supporting Our Communities**
  Includes supporting single people, older people, families, BME, LGBT, gypsy & traveller communities, students and young people.
- **Priority 5: Tackling Deprivation**
  Includes estate regeneration and tackling deprivation, worklessness, anti-social behaviour & inequality and supporting community cohesion and welfare reform.

B. Highways Strategy

Highway Maintenance Strategy

The council is currently (April 2014) reviewing its highway maintenance strategy in accordance with the latest guidance on Highway Infrastructure published in May 2013 and the supporting toolkits published by the Government funded Highway Maintenance Efficiency Programme (HMEP). This will enable the council to develop a strategy that optimises whole life cycle planning of its highway assets through a programme of preventative maintenance and planned structural maintenance.

The council holds a register of highway assets which include carriageways, footways, structures, street lighting, signs, gullies and street furniture. This information enables calculation of the gross replacement cost of the assets currently valued (April 2014) at £1.56 billion. Condition surveys are carried out annually from which the net depreciation value of the asset is calculated.

In addition to condition surveys, safety inspections are carried out in accordance with the Code of Practice for Highway Maintenance.

The frequency of inspection for sections of the highway is based on a road hierarchy which takes account of usage of the network and road classifications, 'A' roads, 'B' roads etc.. The rationale and procedures for carrying out inspections are set out in the council's highway maintenance policies.

The structures that are the council's responsibility include bridges, retaining walls and the sea-front arches. These structures are inspected regularly in accordance with national guidelines and a specific asset management plan has been produced for the sea-front arches. A programme for reconstructing these assets, which support the highway as well as being used commercially, is ongoing.

Maintaining the city's highway infrastructure in a safe condition is integral to achieving many of the council's economic and social objectives. The council has a well-developed approach, the purpose of which is to target resources in the most effective manner and by doing so provide a safe highway environment commensurate with the council's vision and to minimise the risk of accidents on the highway. The aim of the future strategy will be to build on this by developing service standards, applying a risk management approach that identifies the council's critical highway assets, produce forward works programmes, and to evaluate investment options to improve the assets.

Implementation of the Highway Maintenance Strategy will enable the council as Highway Authority to discharge its statutory duty under the Highways Act 1980 to maintain the highway to an appropriate standard. The strategy sits within a framework of highway policies, maintenance contracts and good practice design guidance which integrate to ensure that quality services are delivered effectively within available budget.

Local Transport Plan

The council's current Local Transport Plan (also referred to as LTP3) was approved in 2011. It includes a fifteen year strategy and a framework for a three year delivery plan. It outlines how the council's transport objectives will support the delivery of wider policy objectives, such as economic growth and carbon reduction. The primary focus of LTP3 is to set out how significant capital investment in maintaining, managing and improving the transport network will deliver a safer, sustainable, resilient and efficient transport system for the city.

The council is recognised as a leading authority in the UK on transport matters and a number of successful bids for funding and awards in recent and past years reflect the high quality and success of schemes which have been delivered.

Key objectives which the council aims to achieve through the LTP3 include tackling congestion, improving air quality and road safety, increasing mobility and accessibility and maintaining the highway infrastructure. By working in partnership the city council's investment in transport in Brighton & Hove has helped to reduce traffic levels and increase the use of public and sustainable transport.

Work to prepare a new LTP (LTP4) is currently underway involving the city's Transport Partnership and other stakeholders and partners and will aim to build on current successes and continue to address a wide range of issues related to improving people's quality of life including health & personal security and enhancing the places that people use through neighbourhood renewal and upgrading the quality of public spaces and streetscapes.

Street Lighting

Our city street lighting contributes 5,270 tonnes [2012-13] of gases to our annual carbon footprint which represents nearly 14% of our total emissions. The main focus, which Property & Design will be supporting, is therefore on reducing this impact through capital investment in energy efficient lighting on new and upgrade schemes where energy consumption has been shown to reduce by over 40%.

Other strategies are to consider the installation of central management systems for our street lighting which are being trialled including part-night switch offs and centralising the procurement of electricity through Property & Design within the main corporate contract.

C. Seafront Strategy

Tourism is a key element in the city's economic strategy. Brighton & Hove has an estimated 8,000 visitors a year contributing £740m annually to the local economy and supporting about 18,500 jobs. The Seafront is of vital importance to our tourism offer which acts as a focal point attracting both residents and visitors in large numbers. The Seafront is a showcase for the city and plays a major role in attracting business visitors to conferences and events.

Despite the recent economic difficulties, it is positive that the Seafront continues to attract investment opportunities including the Brighton Wheel and the commencement of the i360 project.

To encourage the most suitable development applications and to ensure that the correct decisions are made it is essential that the Seafront Strategy is brought up to date and consulted widely upon. In addition an over-arching Strategy assists when applying for external funding and the allocation of developer contributions. The strategic vision is:

"**To develop the unique character areas of the iconic Brighton & Hove Seafront to create attractive, sustainable, high quality environments for residents, businesses and visitors throughout the year**"

The scope of the new strategy has been considered from two perspectives. Firstly, the identification of over-arching themes for the sea front that relate to the whole length of the coast from Hove Lagoon in the west to Saltdean in the east. Secondly, an assessment of the individual character areas that comprise the seafront to identify potential opportunities for improvement while acknowledging the challenges each area presents. The document sets out the proposed character areas with potential development and improvement opportunities highlighted.

A key element of the consultation process is a Scrutiny Panel set up to inform the strategy and the issues involved including the challenges facing the seafront, increasing income and how funding gaps for essential structural maintenance and infrastructure investment can be reduced.

3.10 Related Strategies & Programmes

A. Value for Money Programme 4 (VfM4)

The council is facing severe financial pressures with a need to find an additional £90m of annual savings in the five years to 2019-20. In response to forecast budget reductions the council has implemented a Value for Money (VfM) Modernisation programme to help meet the projected budget shortfall. The programme has achieved over £22.7m of savings up to 2013 with an additional £9.8m anticipated for 2013-14.

The council has been working with its consultants, Ernst & Young, to identify further savings opportunities for the VfM Phase 4 programme for 2014-15 onwards in order to meet the budget targets.

Key major saving opportunities have been identified in the areas of service modernisation (especially the Adult Social Care & Children's Services), income & debt management, third party spend, client transport, cultural services, Digital Customer Experience projects and Workstyles.

Modernisation enablers have also been identified including our People Plan, 'Living our Values Every Day' culture change programme, targeted ICT investment, business process improvement and multi-agency integrated working.

Each VfM4 modernisation opportunity and enabler has been allocated to a senior officer to monitor and drive through the necessary changes overseen by the Corporate Modernisation Delivery Board.

B. Customer Access Programme – Improving the Customer Experience (ICE)

Our Customer Access Programme aims to embed the council's Customer Promise within all of our services - to be easy to reach, to be clear & treat people with respect & to listen & get things done.

The programme focuses on our business strategies and how to incorporate digital technologies to help services modernise.

Digital technology not only creates a new 'front door' for our residents to use services, but opens up new methods of managing customer data in the best way to deliver services. Customer Experience Management (CEM) is the software supporting the customer interface with council services. Ultimately this will lead to a 'My Account' facility providing a single and secure access point to council services. As we move towards this we will work in line with the best practice from the Government Digital Service and at a national, regional and city level across partners to find better solutions.

We aim to simplify processes for the customer across all access channels (face to face, telephone and digital) by using technology to be more responsive to customer needs. As the programme goes forward we will be better placed to answer customer queries at the point of contact in a more joined up way and to plan future services to meet the city's needs. Some examples are our Customer Service Centre in Brighton, the joint Customer Service Centre with the police in Hove, our website redesign, and our award winning council Connect service in Libraries.

C. Corporate Procurement Strategy 2014-2017

The council spends approximately £270 million per annum on externally procured services and it is essential that effective planning goes into the commissioning and procurement of these services in order to provide value for money and high quality services and supply.

A key focus of the strategy is the Public Services (Social Value) Act 2012. The Act places a duty on the council to consider how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area. Collaboration on the procurement of services will also be expanded with guidance and advice so that the opportunities to work across the council and with other councils and relevant bodies are properly exploited.

The strategy describes objectives and measures to simplify and streamline existing processes. The outcomes are designed to attract more bidders from small & medium enterprises (SMEs), local businesses and community and voluntary sector organisations.

A core element of the strategy is Sustainable Procurement whereby the council has committed to embed the principles of sustainability throughout our procurement activities with a balanced consideration of the social, ethical, environmental and economic impacts undertaken.

AMP Delivery Plan

The delivery plan resulting from this asset strategy has been delegated to officers to set and manage and will provide the detail to:

- Meet our future service delivery and accommodation needs including to maximise collaborative working
- Meet the targets set out in the One Planet action plan
- Challenge and rationalise the operational portfolio
- Challenge the non-operational urban and agricultural commercial portfolios
- Finance and deliver the asset management plan

Monitor property performance through accurate data management

POLICY & RESOURCES COMMITTEE	Agenda Item 96 Brighton & Hove City Council

Subject:	**6-month Performance Update 2014/15**	
Date of Meeting:	**4 December 2014**	
Report of:	**Executive Director of Finance and Resources**	
Contact Officer:	**Name:**	**Andy Edwards** **Tel: 29-6823**
	Email:	**andy.edwards@brighton-hove.gov.uk**
Ward(s) affected:		**All**

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 To report performance progress for the period 1st April 2014 to 30th September 2014. Specifically the report shows progress in the following areas:

- Measures of success in relation to Key Performance Indicators agreed by the Executive Leadership Team (ELT)
- How well the priorities in the Sustainable Community Strategy are being delivered through the Key areas of Focus in the Corporate Plan

2. RECOMMENDATIONS:

2.1 To note areas of highlighted performance and endorse the improvement actions detailed in Appendix 2

2.2 To support and challenge lead officers across the council to continually improve performance and tackle issues of concern highlighted in the report

3. CONTEXT/ BACKGROUND INFORMATION

3.1 There are two overarching strategies:-

- **The City's Sustainable Community Strategy –** is owned by, and the responsibility of Brighton & Hove Strategic Partnership, known as Brighton & Hove Connected and the City Management Board.

- **BHCC Corporate Plan -** with associated Key Areas of Focus outcomes – these are supported and delivered through service business plans, risks managed through risk registers and day to day activities aligned through Individual Performance Reviews with all staff.

3.2 The five component parts of the Performance and Risk Management Framework (PRMF) and where these are reported is set out in the table below.

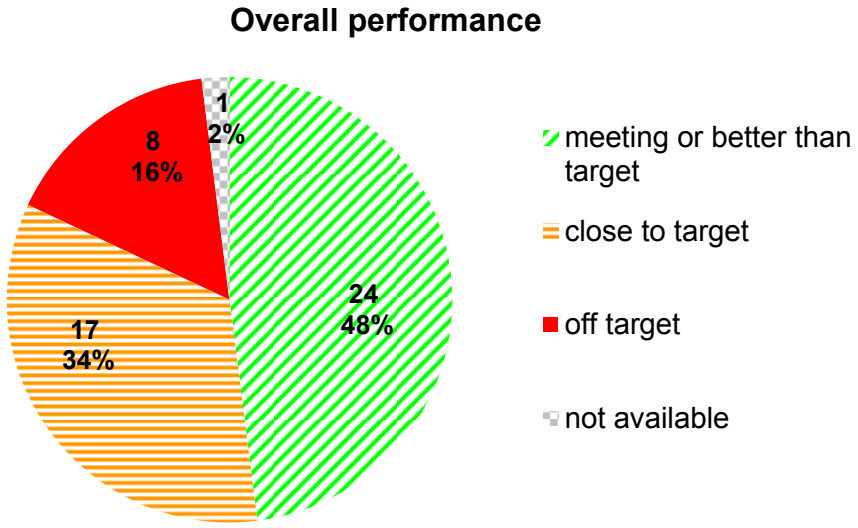
Strand	Performance Management Approach
1 - Corporate Plan	• The plan is set in conjunction with budget proposals and approved by Full Council prior to the start of the new financial year. • Progress against the Key Areas of Focus in the Corporate Plan is reported to ELT and Policy & Resources (P&R) and with the 6 month and full year performance updates.
2 - Performance indicator set	• The Executive Leadership Team (ELT) agrees any further key performance indicators which enable the organisation's performance to be tracked. • ELT receives quarterly performance update reports highlighting good performance and areas of challenge. Accountable Directors discuss corrective actions and ELT prioritises options. • This report is also reviewed at P&R at 6 months and full year.
3 - Business planning	• Each Service is required to develop and publish a business plan which details how it will deliver services over the year, links to the corporate plan and what the measures of success will be. • Day to day this is managed at service level through line management arrangements • Progress reports to the Directorate Management Team (DMT) where progress/blockages are discussed.
4 - Risk	• Strategic Risks are reviewed 6 monthly at ELT and reported to the Audit and Standards Committee throughout the year • Citywide Risks are reviewed annually and managed by the relevant partnerships and feed into the Strategic Risk processes for council led risks • Progress monitoring and reporting is managed through links to the directorate risk registers at DMT.
5 - Programmes and Projects	• Corporate Modernisation Delivery Board - Sponsoring Group initiates and leads programmes and projects that are intended to achieve outcomes including cross-cutting programmes and projects. Chaired by the Chief Executive and consists of directors and other key officers of the council. • Directorate Modernisation Boards report to the Corporate Modernisation Delivery Board, are set up to drive the programmes and projects forward and deliver outcomes and benefits. • Programme and Project Boards report to the Directorate Modernisation Boards, these are responsible for planning, set-up and management of programmes and projects. • All non-modernisation programmes/projects get led by and reported to the Directorate Management Teams (DMTs) and reported to the Executive Leadership Team (ELT) if/when appropriate

4.0 Performance Indicator Set

4.1 The overall performance achieved at the 6 month point against target is assigned a rating of Red, Amber or Green depending how far from target the reported performance is.

4.2 Indicators where information isn't available, as they are annually measured, are not listed. Some very recent changes to the indicator set mean some indicators are not established enough to show targets.

4.3 The chart below shows the proportion of indicators that are rated as Red, Amber and Green. This includes 10 indicators where performance information was not available when we reported last year's annual performance. Overall the results are broadly positive with 82% of the indicators meeting or being within the agreed tolerance level (shown as green or amber below) at this point in the year.



4.4 Performance information available at the 6 month point is provided in the appendices as follows:

- Appendix 1 – full list of indicators and a summary of performance status at the 6 month point. In addition results that weren't available at the 12 month 2013/14 update report are also provided at the end of this appendix.

- Appendix 2 - The areas outlined below have been selected if performance is Red against target and also if performance is Amber against target and there are other factors such as the trend over time, how we compare to our comparators or factors of government policy or the economy (risk) that make them worthy of highlighting.

4.5 The indicators that are off track, projected to miss target or are a cause for concern due to trend or comparison with other organisations are listed below.

- Children who are looked after per 10,000
- Violent Crimes with injury (proxy for alcohol related crime)
- Percentage of Household Waste sent for reuse, recycling or composting
- Formal Complaints per 10,000 population

Annual indicator exceptions:

- All pupils: 5 or more A*-C GCSE including English and Maths
- Free School Meals Pupils: 5+ A* - C grades in GCSEs including English & Maths
- Percentage reduction in Carbon Dioxide emissions per capita
- Percentage reduction in the greenhouse gas emissions from local authority operations

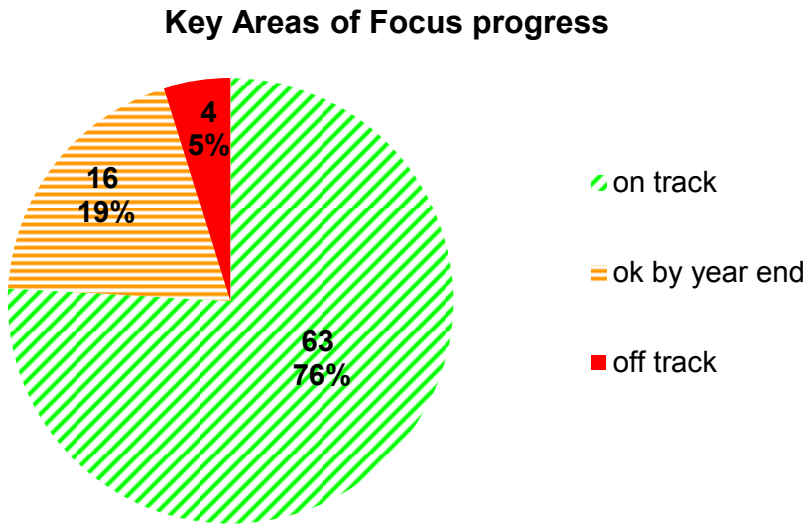
Appendix 2 provides more information on these including a summary of performance so far, the context for that service and a short summary of proposed actions to improve performance.

5.0 Key Areas of Focus actions

5.1 Progress made against the key areas of focus from the Corporate Plan are rated as Red, Amber or Green by lead officers across the services using the following criteria:

Red -	the action is significantly off track and is not expected to be completed as originally planned without intervention
Amber -	the action is not on track at the moment but will be brought back on track by year end
Green -	the action is on track

5.2 The chart below shows that 76% of the Key Areas of Focus within the corporate plan are on track and a further 19% are set to be delivered by the end of the financial year.



5.3 All Key Areas of Focus actions are reported in full in Appendix 3 with the relevant RAG status and commentary where the action is off track

6. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

6.1 Through consultation with The Chief Executive, Directors and Heads of Service the proposed Performance and Risk Management Framework was deemed to be the most suitable model.

7. COMMUNITY ENGAGEMENT & CONSULTATION

7.1 This is an internal performance reporting mechanism and as such no engagement or consultation has been undertaken in this regard

6. CONCLUSION

6.1 The council must ensure that it uses a robust performance and risk management framework to meets the challenges of delivering services in the financial context that local authorities are now working in.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 There are no direct financial implications arising from this report

Finance Officer Consulted: Peter Francis *Date: 03/11/14*

Legal Implications:

7.2 There are no legal implications arising from the report,

Lawyer Consulted Elizabeth Culbert *Date: 31/10/14*

Equalities Implications:

7.3 An underlying principle of the Corporate Plan is that it focuses on the significant issues for the city, some of which are about tackling the inequality experienced by our residents.

Sustainability Implications:

7.4 As reported in the Sustainable Community Strategy sustainability issues are embedded across the strategy's priorities and as such are reported across various parts of the Corporate Plan i.e. transport and the economy. The council's One Planet Living actions in the Sustainability Action Plan. The three year action plan has been put together by the council, BioRegional, the city's partnerships and other leading organisations in the city.

SUPPORTING DOCUMENTATION

Appendices:

1. Performance Indicator overview report
2. Performance Indicator exception report
3. Key Areas of Focus report

Documents in Members' Rooms

None

Background Documents

None

Performance Indicator	Unit	Target	Result	Status	Direction of Travel
Children's Services					
All our schools are judged to be good or outstanding by OFSTED	%	79	76.4	AMBER	➡
Overall absence in maintained & academy primary schools	%	3.7	3.81	AMBER	⬆
Overall absence in maintained & academy secondary schools	%	6	5.6	GREEN	⬆
Children who received a 2- 2.5 year health visiting review	%	75	67.2	AMBER	⬆
Stronger Families Stronger Communities [SFSC] Families 'turned around'	%	74	85	GREEN	⬆
Young people aged 16 – 18 who are Not in Education, Employment or Training	%	6.3	6.2	GREEN	⬆
Percentage of re referrals to Children's Social Care Advice, Contact and Assessment Centre	%	25	28	AMBER	⬆
Children who were the subject of a child protection plan per 10,000	No.	55.5	55.4	GREEN	⬆
Children who are looked after per 10,000	No.	85.8	97	RED	⬇
Public Health					
Police recorded total crime	No.	11,340	11,292	GREEN	⬆
Violent crimes with injury (proxy for alcohol related crime)	No.	739	1,196	RED	⬇

Performance Indicator	Unit	Target	Result	Status	Direction of Travel
Percentage of adults leaving drug treatment who do so as a planned exit	%	60	53	AMBER	⬆
The number of alcohol-related hospital admissions per 100,000 population	No.	788.9	685.4	GREEN	⬆
Finalised prosecutions of hate crime which resulted in a conviction	%	86.4	92.4	GREEN	⬆
Percentage of finalised Domestic Violence prosecutions resulting in a conviction	%	73	72.7	AMBER	⬇
Prevalence of breast feeding at 6 - 8 weeks from birth	%	72	75.3	GREEN	⬆
Under 18 conception rate per 1000 women as measured by reduction from baseline	No.	26.5	25.4	GREEN	⬆
Adult Services					
Percentage of Social care clients receiving Self Directed Support	%	50	48	AMBER	⬆
Delayed transfers of care attributable to social care per 100,000 population	No.	2.7	2.8	AMBER	⬇
% of carers who receive an assessment and services or advice/information	%		System change, result not yet available		
Permanent admissions of younger adults to residential and nursing care homes per 100,000 population	No.	4.8	2.6	GREEN	⬆
Permanent admissions of older adults (65+) to residential and nursing care homes per 100,000 population	No.	239.8	201.6	GREEN	⬆
Percentage of Quality Audits completed (Safeguarding adults)	%	50	50	GREEN	➡

Performance Indicator	Unit	Target	Result	Status	Direction of Travel
Percentage of adults with learning disabilities known to the council in paid employment	%	7.5	7.8	GREEN	⬆
Environment Development & Housing					
Percentage of household waste sent for reuse, recycling and composting	%	32	27.2	RED	⬆
Residual waste per household (Kg)	No.	149	156.2	AMBER	⬆
Percentage of municipal waste land-filled	%	20	10.1	GREEN	⬆
Private sector vacant dwellings returned into occupation or demolished	No.	80	73	AMBER	⬆
The number of households where homelessness was prevented due to casework by the council and funded partners	No.	1,100	1,490	GREEN	⬆
The energy efficiency rating of local authority owned homes (based on Standard Assessment Process 2009)	No.	63.9	64	GREEN	⬆
Housing Tenants: Rent collected as proportion of rent due	%	98.7	98.2	AMBER	⬇
The number of building commencements	No.	906 (Q2 2013-14)	745	AMBER	⬇
The number of Planning applications registered	No.	1,950 (Q2 2013-14)	1,858	AMBER	⬇
Finance & Resources					
Formal complaints per 10,000 population	No.	5.2	6.3	RED	⬇

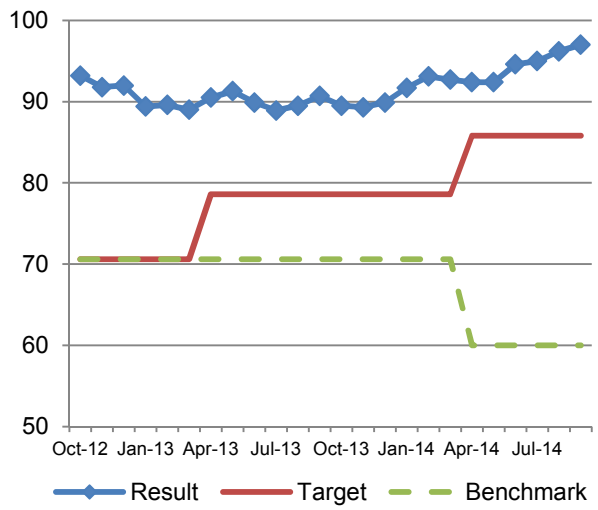
Direction of Travel Key ⬆ - improving ➡ - static ⬇ - declining

Performance Indicator	Unit	Target	Result	Status	Direction of Travel
Percentage of invoices for commercial goods and services that were paid within 30 days	%	95	94.7	AMBER	⬆
Percentage of council tax collected monthly	%	56	55.2	AMBER	⬇
Percentage of non-domestic rates collected	%	58.2	58.6	GREEN	⬆
Average number of working days / shifts lost per Full Time Equivalent (FTE) due to sickness absence so far this year (not including schools)	No.	5	4.8	GREEN	⬆
Average number of working days / shifts lost per Full Time Equivalent (FTE) due to short term sickness absence (not including schools)	No.	1.8	1.9	AMBER	⬆
Average number of working days / shifts lost per Full Time Equivalent (FTE) due to long term sickness absence (not including schools)	No.	3.3	2.9	GREEN	⬆
Legal & Democratic Services					
Increase in web cast views of council and committee meetings	No.	6,686	7,666	GREEN	⬆
LATE ANNUAL INDICATORS					
Children's Services					
All pupils: 5 or more A* C GCSE including English and Maths	%	62	53	RED	⬇
All Pupils: Key Stage 2 Level 4+ in Reading, Writing and Maths	%	79	79	GREEN	⬆

Performance Indicator	Unit	Target	Result	Status	Direction of Travel
Free School Meals Pupils: 5+ A* C grades in GCSEs including English & Maths	%	38	22	RED	⬇
Free School Meals Pupils: Key Stage 2 Level 4+ in Reading, Writing and Maths	%	58	58	GREEN	⬆
Special Educational Needs pupils: 5+ A* to C grades in GCSEs including English at Maths	%	26	21	AMBER	⬇
Special Educational Needs Pupils: Key Stage 2 Level 4+ in Reading, Writing and Maths	%	40	42	GREEN	⬆
Proportion of children living in poverty	%	18.6	17.4	GREEN	⬆
Environment Development & Housing					
Percentage reduction in Carbon Dioxide emissions per capita	%	28	17.6	RED	⬇
Finance & Resources					
Percentage reduction in the greenhouse gas emissions from local authority operations (CO2, degree day adjusted)	%	4	-2.3	RED	⬇

APPENDIX 2: 2014/15 6 month performance update: Exceptions Report

Children who are looked after per 10,000	Target	Result	
	85.8	97.0	RED



Performance Summary:
The aim for Brighton and Hove is to reduce our LAC to 430 based on the average of our 10 nearest authorities in terms of contextual factors based on the Public health analysis of deprivation, alcohol, drugs and mental health issues. This number equates to 85.8 per 10,000.

On the 30th September 2014 we had 487 children who were looked after. The LAC rate per 10,000 is 97 as at 30th September 2014, above the March 2014 national average (60 per 10,000) and the average for our statistical neighbours (63.5 per 10,000).

This is the breakdown by age groups for Looked After Children:
• 21% of children becoming looked after during the year ending 30th September 2014 were aged under 1 compared to 28% in the previous 12 months.
• 18% were aged 1 to 4 compared to 17% in the previous 12 months.
• 18% were aged 5 to 9 compared to 10% in the previous 12 months.
• 27% were aged 10 to 15 compared to 34% in the previous 12 months.
• 16% were aged 16 and over compared to 11% in the previous months.
.

Commentary
The statistics tell us that we have more children coming into care from 1 to 9 than in previous 12 months and less in 10 to 15 which is a trend we would want to continue as it suggests that we are reaching children earlier. However, we have risen to 16% of young people aged over 16. As care is rarely effective for this age group this is a trend we would want to reverse by putting something different in place. We would also want to reverse the percentage balance of those coming into care over 10 which is 43%. We know through our audits that we do not have young people in care who had not met the criteria for care. Therefore we need system changes to address need and reduce risk. Much work is already underway on how we aim to do this.

The establishment of the Early Help Hub and streamlining of referrals is:

a. Aimed to ensure that children and young people who are at risk of escalating needs are identified and services put in place to address need
b. To ensure that those families that 'step down' from social work services are supported to continue to meet the needs of their children and prevent needs increasing

From 1st September 2014, the Multi Agency Safeguarding Hub (MASH) system ensures that the right children are identified as requiring further support more quickly. This will prevent LAC or fast track those, who, based on evidence, are unlikely to have their needs met other than becoming LAC, which reduces the damage of drift for children. This will also make the

child easier to place and help support them to overcome their disadvantages.

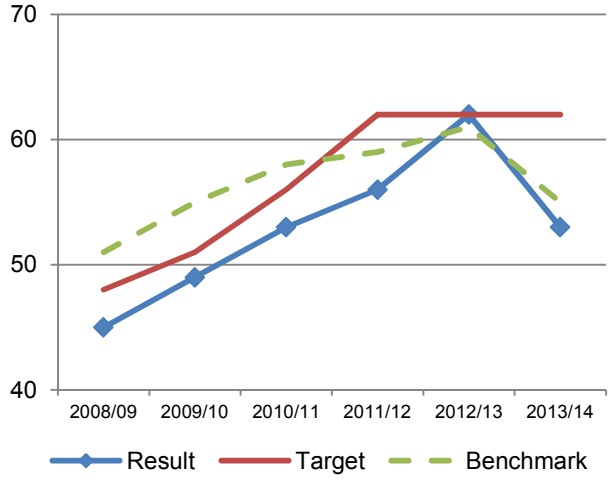
Both the MASH and the Early Help Hub should stop children coming in to care later as well as divert children from care altogether.

Improvement Actions:

1. Our Independent Reviewing Officers (IRO's) are reviewing all cases to ensure that any child or young person who could move safely out of care does so. IRO Managers - ongoing
2. The Assistant Director will approve all emergency placements in care and will also chair a Resource Panel where every child's situation, who is thought to be at risk of coming into care, will be reviewed and a plan agreed. Any emergency placement will come to be reviewed at that panel at the next panel. Assistant Director – Children's Safeguarding, Care and Health – Winter 2014 onwards
3. We are working to establish a service for those very challenging young people who are living the most risky lives. We are starting by developing a service for all young people – in care or at home - from 13 to 16 who go missing. This will be a police/social work/Youth Offending Service. Our next part of this service will be developing a Crisis Intervention team. The aim of this service will be to reduce the risk for these young people and maintain them in stable placements, thus avoiding high cost placements and prevent admission to care. Assistant Director – Children's Safeguarding Care and Health – Autumn 2014 onwards.

Accountable Director: Pinaki Ghoshal

All pupils: 5 or more A*-C GCSE including English and Maths	**Target** 62%	**Result** 53%	**RED**



Performance Summary:
5+ A*-C GCSE (or equivalent) including English and Mathematics GCSE is a way of measuring overall attainment, and is one of the elements used in the floor standard the Department for Education set for school performance.
There have been four main changes that have affected this measure in 2013/14 academic year, which make it problematic to compare with last year: Many vocational qualifications no longer are counted, only first entry now counts, pupils have to sit exams at the end of the course rather than doing modules and there have been changes to assessment processes for some subjects, including speaking and listening in English. The impact of these measures can be seen in the national seven percentage point drop in performance from 2012/13.

National and Local Authority data for GCSE was released on 23 October. The national percentage of pupils achieving 5+A*-C including English and maths for state-funded schools

was 56%. For Brighton & Hove this was 53%. It was 62% and 56% in 2012/13 and 2011/12. The drop from last year was nine percentage points, which was higher than the national drop of seven percentage points. The year before Brighton & Hove was two percentage points above national. The ranking of Brighton & Hove in 5+ A*-C including English and maths has fallen since last year.

Progress in English and Mathematics measures how much progress has been achieved from the end of primary school to the end of secondary school and forms the other elements of the floor standard. The Department for Education expects at least three levels of progress to be made in English and Mathematics.

Progress measures have been impacted by the changes to assessment processes and the counting of first entries only; although there has been no national drop in English there has been a national drop of four percentage points in mathematics expected progress.

In 2013/14 English expected progress in Brighton & Hove was 70.4%, it was 73% and 70% in 2012/13 and 2011/12. This is in line with the 2013/14 national result of 70.5%. in 2012/2013 Brighton & Hove was above national by three percentage points.

In 2013/14 expected progress in mathematics in Brighton & Hove was 61%; it was 67% in 2012/13 and 59% in 2011/12. This is below the national result of 65% by four percentage points, the same as last year.
The ranking of Brighton & Hove in 5+ A*-C including English and maths expected progress has fallen since last year in English and remains the same as last year in maths .

Commentary

The national volatility around the changes to GCSE has led to the delayed release of results and confusion nationally. However, this is not a positive set of results as they have taken Brighton & Hove below the national average. The Secondary School Improvement Partner has visited every school to discuss results and explore what has caused the drops in the different schools. Early analysis suggests that there is no one common theme and a full report will be published. There is also concern that the schools did not predict the results accurately and so the Secondary School Partnership Partner will be drilling down into school systems and processes
The Head of Standards and Achievement and the Assistant Director, Education and Inclusion have met with the chairs of governors of the secondary schools to discuss the challenge and support they give headteachers and whether they would welcome any support for this. They have also met with the Headteacher Chair of the Secondary Schools Partnership (SSP) and the headteachers of schools where the results cause particular concern to discuss next steps. Several schools have joined 'Challenge Partners', which will provide external review and challenge and advice on next steps.

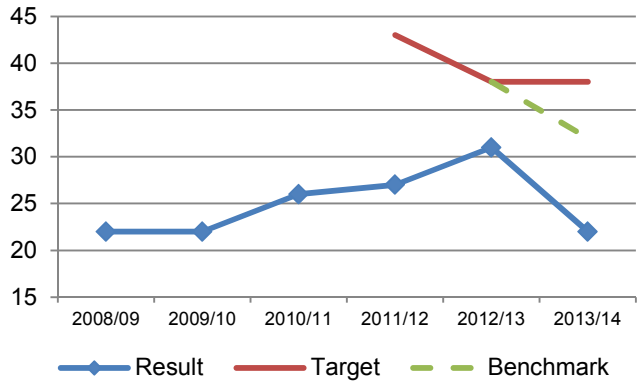
Improvement Actions:

1. Complete the analysis of the Secondary School performance from the visit reports (Head of Standards and Achievement, November 2014)
2. Write categorisation letters to the headteachers and chairs of governors to outline LA concerns and the expectations of the schools going forward (Head of Standards and Achievement, October 2014)
3. Drill down into school systems for monitoring and tracking pupil progress to ensure they are robust and accurate (Secondary School Improvement Partner, November 2014)

4. Offer appropriate training and development opportunities to chairs of governors (chairs of governors and Head of Standards and Achievement, November 2014
5. Use the findings from the Challenge Partner Reviews to support school improvement (headteachers and Teaching and Learning Lead, December 2014)

Accountable Director: Pinaki Ghoshal

Free School Meals Pupils: 5+ A* - C grades in GCSEs including English & Maths	**Target** 38	**Result** 22	**RED**



Performance Summary:
High quality data is not yet available for 2013/14.

5+ A*-C GCSE (or equivalent) including English and mathematics GCSE is a way of measuring overall achievement, and is used in the floor standards the Department for Education set for a school's performance.

In 2013/14 the free school meal (FSM) pupils percentage achieving 5+ A*-C GCSE (or equivalent) including English and mathematics GCSE was 22%, it was 31% and 27% in 2012/13 and 2011/12. The drop from last year was nine percentage points against a national drop of six percentage points. Brighton and Hove is still below the 2013/14 national result of 32%. At present benchmarking information on other local authorities is not available.

In Brighton & Hove the non-FSM 2013/14 result was 58%, and was 68% and 62% in 2012/13 and 2011/12. Since last year there has been a drop of ten percentage points and a national drop of five percentage points. Brighton and Hove has moved from above to below the national result of 59%. The gap has narrowed in Brighton and Hove to 36 percentage points as the free school meal group result has dropped less than the non-free school meal result. English and maths progress data for the free school meal group is not currently available.

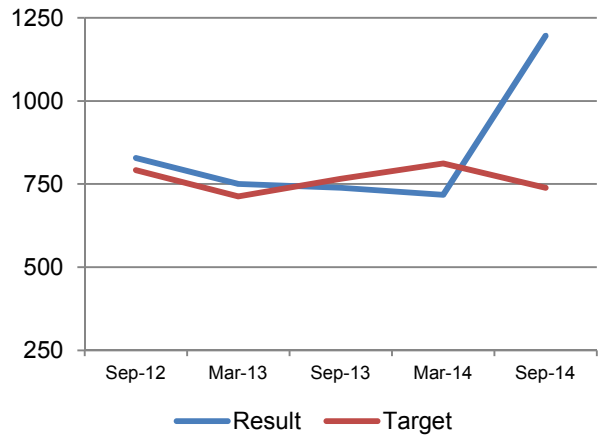
Commentary
Early, provisional data suggests that this area will be a focus for the year. Following the publication of the Closing the Gap Strategy there was a launch conference in July where strong messages were given. Every school has nominated a closing the gap champion who will lead this work. The secondary schools have devised a peer review model for Pupil Premium and commissioned a National Leader of Education (NLE) to work with them on this.

Improvement Actions:
1. Carry out all peer reviews (Deputy Head of Blatchington Mill, December 2014)
2. Analyse the data and outcomes of the peer reviews to know the exact position of every school (Secondary School Improvement Partner, December 2014)
3. Challenge visits to schools where the performance of pupils with SEN causes concern (Secondary School Improvement Partner, December 2014)

Accountable Director: Pinaki Ghoshal

APPENDIX 2: 2014/15 6 month performance update: Exceptions Report

Violent crimes with injury (proxy for alcohol related crime)	Target	Result	
	739	1,196	RED



Performance Summary:
Total police recorded violent crimes, including those with injury have shown a sharp increase since April 2014. This is a reflection of work which is taking place within Sussex police force area and across the country more widely to improve police recording practices and ensure that victims' interests are maximised.

Commentary
In the years prior to 2014/15 there has been a long term decrease in police recorded violent crimes, but the number recorded in the first six months of 2014/15 has increased sharply. This increase has been in violence with injury and also in crimes of violence without injury, including common assault. There has also been an increase in recorded violence with injury crimes in other parts of Sussex in this period, and unconfirmed statistics for our comparator authorities are also indicating a rise in 2014/15 to date.

A report published by Her Majesty's Inspectorate of Constabulary (HMIC) on 18th November 2014 details the findings of work they have carried out over the last 12 months to examine the crime recording practices of all police forces in England & Wales and the extent to which crimes have been found to be inaccurately recorded when audited. The HMIC found that nationally an estimated 19% of crimes were not recorded. Crimes of violence against the person (33% unrecorded) and sexual offences (26% unrecorded) were particularly badly affected. Their report also noted examples of where police leaders, when realising the nature and extent of the problem, were able to quickly make significant steps to improve the recording of crime within their forces and remedy their shortcomings.

Improved compliance with the NCRS is believed to be the reason behind this sharp increase in local data. Other data sources besides recorded violent crime statistics do not provide evidence to support an increase in the level of violence actually taking place in the city; there has been a decrease in reports of violent incidents to Sussex Police, and the number of attendances at A&E related to assault is stable.

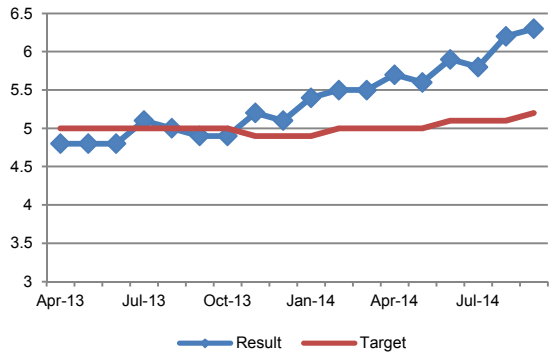
Improvement Actions:
Training and guidance around the NCRS for officers of all ranks has been undertaken within Sussex Police to confirm correct processes are followed. The increase in recorded crimes is likely to be evidence of this work.

This indicator will be closely monitored and reported on to the Community Safety Partnership to ensure that the change in recording practices by the police does not mask a real upward trend in violence in the city.

Accountable Director: Tom Scanlon

APPENDIX 2: 2014/15 6 month performance update: Exceptions Report

Formal Complaints per 10,000 population	Previous result 5.2	Result 6.3	RED



Performance Summary:
The previous result is based on the average number of complaints in the last 24 months.
In September 2014, the 12 month average is 6.3, a 22% increase in complaints.
This was 4.9 in 2013/14, and 5 in 2012/13.
A benchmarking group has been set up, and we are currently awaiting results for 2014/15 to compare our volumes with other local authorities.

Commentary
Since November 2013, there has been a gradual increase in the average volume of complaints received over the last year.

Four services have seen significant increases in this time. For City Clean, the average number of complaints over the preceding 12 months went from 18 complaints per month in September 2013, to 37 in April, up to 50 per month in September 2014.
For Housing Services, the average number of complaints increased from 6 in April 2014 to 18 complaints per month in September 2014.
Housing Repairs and Maintenance saw a reduction from an average of 24 complaints per month in April 2013 to 19 in December 2013, increasing to 23 per month in September 2014.
For City Parks the average number reduced from 7 per month in April 2013 to 5 in March 2014. This increased to 9 in September 2014.

The percentage of Stage One complaints upheld or partially upheld in September 2014 was 39%. At the same time last year this was 31%, and in 2012 it was 28%. This means that the council is receiving an increasing volume of complaints where we acknowledge that we have got things wrong.

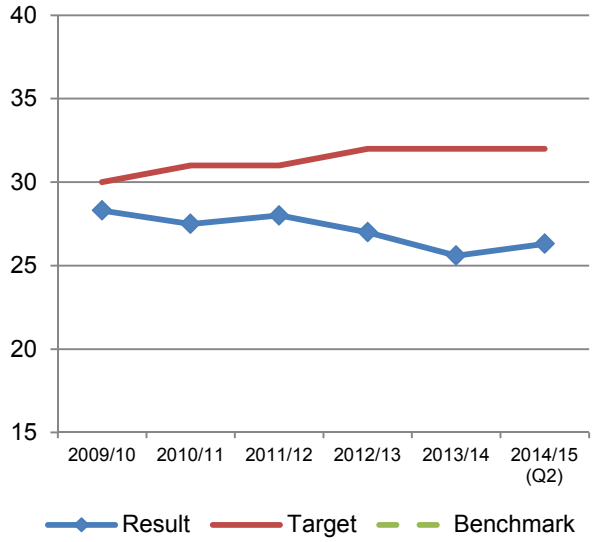
Service managers are provided with complaints data to keep them aware of the level of complaints for their services. In some services, there are regular meetings with the Standards and Complaints Manager to analyse trends and to identify potential service improvements. Emphasis is placed on encouraging services to take ownership of the complaints they receive and to identify what service improvements and corrective action can be taken.

Improvement Actions:
1. It is proposed that Standards and Complaints provide Departmental Management Teams (DMT) with regular reports to help understand the causes of complaints. Standards and Complaints Manager, Nov 2014.
2. Attend relevant DMT to facilitate discussion on service improvements. Standards and Complaints Manager, Nov 2014.
3. Propose use of a service improvement log to track that improvement work is completed. Standards and Complaints Manager, Nov 2014.

Accountable Director: Catherine Vaughan (process owner)

APPENDIX 2: 2014/15 6 month performance update: Exceptions Report

Percentage of household waste sent for reuse, recycling and composting	Target	Result	
	32.0%	27.2%	RED



Performance Summary:
This is the provisional figure for the first quarter of 2014/15, which is the latest data available. There has been a slight increase when comparing against the same quarter last year, where the result was 25.2%. This is partly due to an increase in the amount of green waste composted compared last year. There is also a slight increase in the amount of dry recycling collected.

Due to ongoing disruption the service is still not running smoothly and an 'Engagement and Incentive' campaign aimed at improving recycling rates in the city is currently on hold.

Commentary

Brighton and Hove does not compare favourably to the national average, however there are some additional reasons for this. Urban authorities tend to have lower recycling rates than more rural authorities:
-In more rural authorities residents have more room to store their recycling and many councils collect green waste which greatly inflates the national average recycling rates. Garden waste collections tend to discourage home composting and increase the total amount of waste collected, resulting in an increase in collection and disposal costs.
-Communicating service information with residents in densely populated areas is more difficult due to a higher turnover of population. The City is home to 33,000 students and it is important that we review how we engage and consult with this significant part of our customer base to ensure the key messages around waste reduction, re-use and recycling are clearly understood.

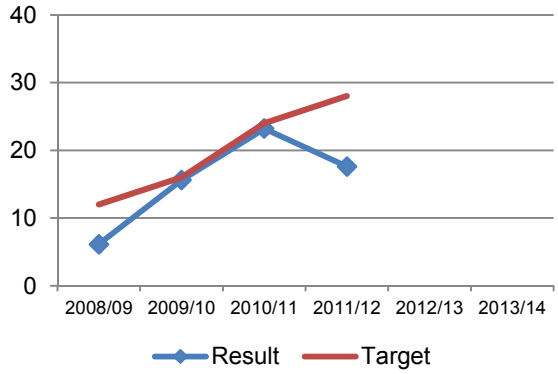
Cities comparable to Brighton & Hove which have higher recycling rates have generally introduced fortnightly refuse collection and weekly food waste collection. This service model has been considered for Brighton & Hove however it would require significant extra revenue funding at a time when the council is facing significant budget cuts.

Improvement Actions:
A service review is being planned to improve the resilience and reliability of the service after which work to engage residents in recycling will commence.

As part of service redesign, consideration needs to be given to reviewing waste minimisation and strategies that are deliverable within the context of a reduced budget envelope

Accountable Director: Geoff Raw

Percentage reduction in Carbon Dioxide emissions per capita	**Target** 28	**Result** 17.6	**RED**



Performance Summary:
This data is two year lagged and was released July 2014. Emissions have reduced from an estimated 5.5 tonnes per person in 2005, to 4.6 tonnes per person in 2012. A 17.6% reduction, falling well short of the 28% reduction hoped for. The 2012 result shows a significant downturn in performance, especially when compared to the per capita rate achieved in 2011 of 4.2 tonnes per person.

The target of 28% is a year on year 4% reduction. It was adopted as a challenging target, which if achieved will go above and beyond targets set in the sustainable community strategy (which targets a 42% reduction by 2020, and an 80 % reduction by 2050).

Brighton and Hove falls just short of regional and national performance (at 18.8% and 18.2% respectively) and national performance (21.2%). When comparing the latest reduction against each authority's 2005 baseline with Brighton and Hove's statistical neighbours, performance falls one below the median result:

North Somerset	13.32%	Plymouth	17.30%	Southampton	20.70%
Blackpool	14.00%	Brighton and Hove	**17.60%**	Swindon	20.81%
Portsmouth	14.40%	Bristol	18.40%	Bournemouth	21.50%
Bedford	15.40%	York	20.68%	Derby	22.95%
Torbay	15.93%	Southend-on Sea	20.70%	Reading	24.20%

Commentary
Performance would seem to be strongly linked with the severity of winters faced year on year, and while long term performance has dipped some way below target before in recent years, it has tended to bounce back in warmer years. However this pattern would show that while carbon emissions are reducing the trend is actually falling below target on average.
Zero Carbon is one of the ten key principles of council's One Planet Living strategy, a strategy based on helping Brighton and Hove to use the resources of just one planet as opposed to the latest estimates of approximately three and a half.

Emissions estimates are calculated based on the city's use of fuels and energy sources in commerce and industry, households and transport. Below are some examples of achievements and future work planned in these areas. Reducing carbon emissions is a challenge for the city as a whole, reflected in the partnership working highlighted below.

2013/14 Activity

Commerce and industry
The 2013 Eco Technology Show had over 3000 visitors, 80 speakers and 120 exhibitors over 2 days at the Brighton Centre.
The University of Brighton has secured £3 million over 5 years to help deliver a thriving,

innovative and expansive green sector in Sussex.
The Coast to Capital LEP received Government Regional Growth Fund support totalling £3 million, part of which was entitled to support the 'green technology' sector
Greater Brighton Eco Tech City Deal proposals were finalised in 2013/14 with a focus on sector development in Greater Brighton, especially at Shoreham and Newhaven.
The 2013/14 Ride the Wave business support programme included workshops on reducing carbon, waste, water and energy usage across all business sectors

Households
Across private sector housing the 'Brighton and Hove and East Sussex Together' partnership (BEST) programme funded the Brighton & Hove Energy Action Partnership (BHEAP) which delivered home energy efficiency measures to some of the most vulnerable residents in private sector housing, including more than: 1400 loft insulations; 1100 cavity wall insulation; 1500 heating measures; and 150 solar water heating systems
The City Council annually delivers Eco Open Houses in partnership with the Low Carbon Trust and Brighton Permaculture Trust. During the event local houses open to the public demonstrating environmental features. The event aims to demystify and inspire the uptake of energy efficiency measures in the home. A programme of solar PV installations has been carried out on the council housing stock in 2014 with 61 installations to date, including on a number of the city's sheltered housing blocks. This is in addition to the previous 33 installations completed.
The City council has made the commitment to join 'Your Energy Sussex' as an 'Affiliate' member pending the finalisation of the relevant contractual and partnership paperwork.

Transport
There have been further improvements to bus services in April 2014 aimed at continuing increasing bus patronage and reduced car usage.
The Highway Operations department of the City Council has taken a number of steps to reduce carbon emissions which either reduce energy usage, reduce material usage (concrete production is CO2 emission intensive) and/or reducing fuel/transportation costs, including asset management in pavements, potholes and street lighting. Every effort is used to recycle concrete and other materials in highway improvement works
The Local Transport Plan includes activities such as encouraging a transfer to lower carbon forms of transport, and zero carbon options, as well as reducing the need to travel (e.g. through more sustainable business practices)

Improvement Actions:

Commerce and industry
The Eco Technology Show will run again in June 2015, and a new umbrella group for the environmental industries (an industry led business network for the environmental sector in Brighton and Hove) has been funded for the year through the green growth platform/
The Local Enterprise Partnership's Strategy for European funding includes a significant allocation under the low carbon economy and a pipeline of projects is being developed for 2015-20.

Households
The council is currently finalising membership of 'Your Energy Sussex' and working with the partnership to identify opportunities in Brighton & Hove in community energy, renewable energy, domestic retrofit and improvements to corporate and commercial buildings in the city.

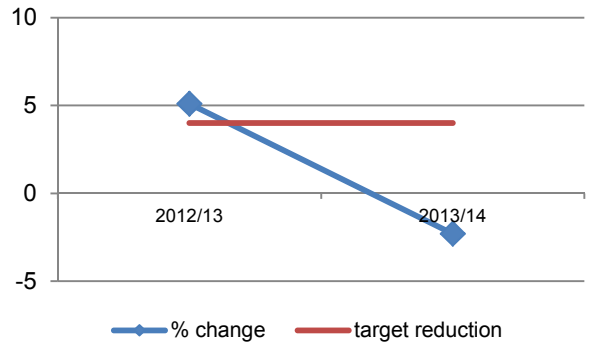
The city council have updated financial modelling for a large solar PV scheme across the council housing stock where there is the potential for over 1000 further installations. Options are under review for how to take this to delivery, pending any internal approvals, within the current financial year.
A funding bid was successful with DECC to allow the city council to carry out feasibility studies for district heat networks at two sites in the city, this work is due to be commissioned later in 2014.
The work under One Planet Living's Zero Carbon Principle includes actions which focus on encouraging use of Energy Company Obligation and the Green Deal to retrofit energy efficiency in homes & businesses, developing a short study into 'hard to treat' buildings, working with developers to ensure best practice in energy efficiency and the use of renewable energy, expanding the Eco Open Houses programme and delivering a programme of workshops for City businesses to make energy savings.
After the end of central government funding for energy efficiency grants and assistance and the end of previous Energy Company obligated funds, the city council have been trying to identify further sources of funding and mechanisms to increase the energy efficiency of the private sector housing stock. This has included reviewing options for Green Deal and Energy Company Obligation (ECO). The Green Deal has been slow to take off and further consultation on and changes to ECO have reduced funding available for improvements. Through 'Your Energy Sussex' there is the opportunity to develop and launch a Green Deal offer for Sussex, including maximising any incentives available to drive uptake in the private sector.

Transport
Local policies can influence behaviours such as over encouraging people in the city to choose lower carbon forms of transport, but ultimately are limited in reducing transport based carbon emissions. Changes in vehicle technology, national legislation, and changes in individual travel behaviours are required to see significant reductions. However, reducing carbon emissions will be embedded in fourth revision of the Local Transport Plan, due to be completed in the next six months.
Another 20 new buses are due to enter the Brighton and Hove Buses fleet in a few months' time, again replacing older buses with lower Euro ratings. More service enhancements are planned for September 2014.

Accountable Director: Geoff Raw (process owner)

APPENDIX 2: 2014/15 6 month performance update: Exceptions Report

Percentage reduction in the greenhouse gas emissions from local authority operations (CO2, degree day adjusted)	**Target** 4	**Result** -2.32	**RED**



Performance Summary:
Using degree day analysis, which aims to smooth out annual fluctuations in average weather, emissions have increased by 2.32 percent, compared to a 5.1 percent decrease in last year's performance. This year's unadjusted result (not degree day adjusted) was actually a decrease in emissions of 3.8 percent, which is very close to the reduction target. However, being such a mild year, it is expected that less energy would be used for heating, which is a primary contributor to carbon emissions.

Commentary/Improvement Actions:
When breaking down the overall footprint across the various areas of responsibility, performance in reducing emissions is mixed. The following commentary has been provided from each of the budget areas:

Corporate: Planned maintenance programmes for corporate buildings each year addresses key energy saving initiatives including oil to gas conversions and improvements to insulation. There have been several changes to occupied buildings over the course of the year as part of the Workstyles Phase 3 programme. Automated Meter Reading (AMR) equipment is now installed on many of our utility meters and we are working to address wasted energy. We are currently working on the energy efficient design and refurbishment of Hove Town Hall as one of the main council hubs.

Schools: Planned maintenance programmes for school buildings each year addresses key energy saving initiatives including oil to gas conversions and improvements to insulation. There have been several school expansions over the course of the year and in 2014/15 a new satellite school was opened. Demand for electricity is higher due to increased electrical equipment including interactive whiteboards, electric kitchens, and IPads. Solar Panels were installed at St Bartholomew's Primary in early 2014 as part of Solar Schools and further schools are raising funds for panels. As part of the project to open a new school in Holland Road we installed a new solar array. In 2014/15 schools have been provided with access to AMR data to help them reduce energy use and they have also been given access to interest free loans for energy efficiency projects and this is a focus going forward. Resource Futures have been providing environmental education support to schools.

Freedom Leisure: Freedom Leisure work to an annual energy reduction plan across all the sites they manage. This includes good housekeeping, LED lighting and PIR sensors, insulation enhancements and other mechanical enhancements.

Housing: Housing are continuing to support investment projects that will both reduce energy usage and assist residents at a time when fuel poverty is a major challenge in the sector. Already during 2014 several sheltered housing schemes have had solar PV installations put in, and connected to the landlords' supply into the buildings. Additionally, the long-term

upgrade of communal lighting and controls is continuing, giving an improved service at times when residents need it. At the same time, the lift replacement programme, which will see almost all the lifts replaced over the next 5 years, is being delivered. These projects, along with communal gas boiler system upgrades and insulation improvements, will assist in further meeting our carbon reduction targets across the housing stock.

Street Lighting: Continuing with energy efficient renewal of lighting across the city. Improving the data held within lighting inventory. The Street Lighting Team are exploring options for further capital investment in replacement energy efficient fittings.

Fleet Fuel: We have reduced the fleet and replaced vehicles with lower CO2 (g/km) however the fuel usage has risen. This may be due to disruption at Cityclean and the removal of casual and essential car user's allowance.

Accountable Director: Catherine Vaughan (process owner)

Key Areas of Focus

Directorate: Public Health **Accountable Director:** Tom Scanlon

Key Area of Focus	Status
1.4.1.1 - We will further develop the Health and Wellbeing Board, integrating it more with the work of the NHS with the aim of providing greater strategic direction to health and wellbeing in Brighton & Hove. (KAOF 1.4.1 Public Health)	 **GREEN**
1.4.1.2 - We will maximise the public health benefits that result from the integration of community safety, civil contingencies and now environmental health and regulatory services within public health by bringing a population perspective to this work. (KAOF 1.4.2 Public Health)	 **GREEN**
1.4.2.1 - We will launch the new Public Health School Programme which will ensure a comprehensive approach to health and wellbeing within schools with initiatives for pupils, staff and parents. This work will be implemented in tandem with the Early Help Strategy and the development plan for School Nurse Services. (KAOF 1.4.4 Public Health)	 **GREEN**
1.4.3.1 - We will redesign the major public health commissioned programmes: alcohol and substance misuse, and sexual health services with the aim of having new contracts in place in 2015. (KAOF 1.4.3 Public Health)	 **GREEN**
4.1.2.1 - Enhancing the role of the Health and Wellbeing Board to provide systems leadership across the city's health and social care system (KAOF 4.1.2 Public Health)	 **GREEN**
1.4.3.14 - We will redesign the local NHS Health Checks service with a view to providing a targeted service that more effectively tackles health inequalities. (KAOF 1.4.5 Public Health)	 **GREEN**
1.7.1.1 - Agree crime reduction and safety priorities with the Police & Crime Commissioner (PCC) which will secure PCC investment in those interventions which are of the highest priority for Brighton & Hove. (KAOF 1.7.1 Community Safety)	 **GREEN**
1.7.1.2 - Identify early opportunities for joint commissioning with East and West Sussex including new commissioning arrangements for Victim and Witness and Restorative Justice services, which will lead to reduced costs and efficiency savings. (KAOF 1.7.2 Community Safety)	 **GREEN**

1.7.1.4 - Continue to build the resilience of communities and families to crime and disorder while working with the Communities and Equalities team to eliminate duplication and reduce costs of commissioned neighbourhood services. (KAOF 1.7.3 Community Safety)	 **GREEN**

Directorate: Assistant Chief Executive **Accountable Director:** Paula Murray

Key Area of Focus	**Status**
1.6.11.1 - Increase participation in sports and physical activity through improvements to the city's sports facilities, building on the concessionary leisure card scheme and collaborating with Public Health on joint schemes such as Active for Life outreach programme, Takepart festival of sport and physical activity, Healthwalks and free swimming. (KAOF 1.6.4 Sport & Leisure)	 **GREEN**
1.6.9.1 - Develop potential long term solutions to ageing seafront infrastructure following a scrutiny panel on the issue (KAOF 1.6.3 Sport & Leisure)	 **RED**
COMMENTS: Report of the Seafront Infrastructure Scrutiny Panel being considered at OSC on Monday 20th October. A key recommendation is the establishment of a Seafront Investment Programme Board and the first meeting will take place on the 24th November. This group will identify and co-ordinate funding bids, manage risks, and realise the collective benefits of all the investment that is taking place along the Seafront. A priority of this group will be the development of a Seafront Investment Plan to address the ageing seafront infrastructure.	
3.2.1.1 - Commission corporate investment in Community Development, Community Engagement and Third sector infrastructure pooling both Clinical Commissioning Group (CCG) and council resources. (KAOF 3.2.1 Corporate Policy & Communities)	 **GREEN**
3.2.1.3 - Develop a programme of activities which transform organisational culture, behaviour, systems and processes around collaboration with communities (KAOF 3.3.1 Corporate Policy & Communities)	 **AMBER**
3.2.1.4 - Commission corporate investment in community development, community engagement and community and voluntary sector infrastructure; pooling both the Clinical Commissioning Group and council resources. (KAOF 3.2.1 Corporate Policy & Communities)	 **GREEN**

3.2.1.5 - Work collaboratively across council directorates with the commissioners' network and procurement team to develop a coordinated approach to commissioning the Third sector, which will include all relevant Third sector commissioning opportunities. (KAOF 3.2.2 Corporate Policy & Communities)	 **GREEN**
3.2.1.6 - Support the development and implementation of the communities and community and voluntary sector commissioning framework. (KAOF 3.3.3 Corporate Policy & Communities)	 **GREEN**
3.2.1.7 - Establish a new working relationship with Community Works as the new infrastructure body for the Third sector in the city. (KAOF 3.2.3 Corporate Policy & Communities)	 **GREEN**
3.3.2.1 - Map cost and review existing direct community engagement and participation spending across the council to ensure opportunities for collaboration are maximised. (KAOF 3.3.2 Corporate Policy & Communities)	 **GREEN**
3.5.1.1 - Progress the BME and Transgender Needs Assessment in partnership with local communities and the wider public sector (KAOF 3.5.1 Corporate Policy & Communities)	 **GREEN**
3.5.1.2 - Begin a Disabled People's Needs Assessment in partnership with local communities and the wider public sector (KAOF 3.5.2 Corporate Policy & Communities)	 **GREEN**
1.5.3.12 - Deliver the new Community Banking Partnership through the community and voluntary sector (KAOF 1.5.4 Corporate Policy & Communities)	 **GREEN**
1.6.14.1 - Deliver a programme of events over four years to commemorate the centenary of World War I (KAOF 1.6.5 Corporate Policy & Communities)	 **GREEN**
4.3.12.1 - Consolidate further services into library or other buildings to provide more joined up services to citizens and customers. (KAOF 4.3.3 Libraries)	 **GREEN**
1.6.5.4 - Begin the next phase of joint work between the Brighton Dome and Festival and Royal Pavilion, Arts and Museums to advance the Royal Pavilion Estate Masterplan Phase II of works to strengthen tunnel between the Royal Pavilion and the Dome Complex (KAOF 1.6.2 Royal Pavilion & Museums)	 **GREEN**
1.6.1.1 - Secure conference business for the Brighton Centre with work continuing on the longer term future of a conference centre and large scale entertainment venue for the city. (KAOF 1.6.1 Tourism & Venues)	 **GREEN**

Directorate: Environment, Development & Housing **Accountable Director:** Geoff Raw

Key Area of Focus	Status
2.4.2.1 - Redesign the planning service to increase efficiency and improve customer service, to ensure that as the economy recovers we aid and encourage appropriate high quality development (KAOF 2.4.1 Planning & Building Control)	**GREEN**
1.5.1.6 - Work with the Greater Brighton Economic Board to help unlock funding and development sites leading to new employment space and new jobs, and work with developers and sub-contractors via the Brighton & Hove Local Employment Scheme (BHLES) to ensure that apprenticeships, skills training and jobs are linked to key development sites and contracts. (KAOF 1.5.2 City Regeneration)	**GREEN**
2.1.1.5 - Subject to a successful bid to UNESCO, develop an economic programme for the Biosphere reserve area (KAOF 2.1.5 City Regeneration)	**GREEN**
3.4.3.3 - Create a more strategic dialogue between public and private sector for future city investment through the Greater Brighton Economic Board (KAOF 3.4.5 City Regeneration)	**GREEN**
4.1.3.1 - Establish the Greater Brighton Economic Board work programme (KAOF 4.1.3 City Regeneration)	**GREEN**
3.4.3.1 - Secure EU Structural and Investment funds in support of business and job growth (KAOF 3.4.2 City Regeneration)	**GREEN**
2.1.1.1 - Deliver the 'Superconnected Cities' (ultrafast broadband) project, including the Connection Voucher Scheme and bring forward options for further wireless provision in the city (KAOF 2.1.1 City Regeneration)	**GREEN**
2.1.1.2 - Launch the procurement process for a development partner to work with on delivery of the renovation and extension of New England House, enabling it to become a hub for the creative digital sector (KAOF 2.1.2 City Regeneration)	**GREEN**
2.1.1.3 - Launch the procurement process for a development partner to replace the outdated King Alfred Leisure Centre and redevelop the current King Alfred site, a scheme that will include a significant number of new homes (KAOF 2.1.3 City Regeneration)	**GREEN**
2.1.1.4 - Work in partnership with the University of Brighton and the Cathedral Group to bring forward exciting new proposals for the redevelopment of the Preston Barracks site and adjacent university land (KAOF 2.1.4 City Regeneration)	**GREEN**

2.4.1.1 - Progress new plans to redevelop the Preston Barracks site and adjacent University of Brighton land for a major mixed-use development incorporating high quality public realm, integration with surrounding communities, and improved permeability and links to Moulsecoomb station (KAOF 2.4.2 City Regeneration)	 **GREEN**
2.4.1.2 - Work with our development partners on the Circus Street site to ensure it delivers high quality public realm and accessible public buildings that benefit the whole community (KAOF 2.4.3 City Regeneration)	 **GREEN**
2.4.1.3 - Work with partners Marks Barfield Architects towards achieving a start on site for the Brighton i360 to ensure regeneration of the western seafront can progress as planned (KAOF 2.4.5 City Regeneration)	 **GREEN**
4.4.2.1 - Update the Capital Strategy and Asset Management Plan to ensure we effectively prioritise and generate new resources to support our Medium Term Financial Strategy (KAOF 4.4.1 City Regeneration)	 **GREEN**
2.5.3.1 - Deliver the council's One Planet Living plan commitments and meet targets including reduced carbon emissions, water use and waste from council services. (KAOF 4.4.4 City Regeneration)	 **GREEN**
2.5.3.6 - Develop a strong partnership Biosphere Reserve programme and broader governance arrangements, including the One Planet approach to sustainability in the city (KAOF 2.5.3 City Regeneration)(May 2015)	 **GREEN**
1.5.1.1 - Deliver £1.79 million Brighton City Region business support programme which includes grants to businesses that offer quality job opportunities (KAOF 1.5.1 City Regeneration)	 **GREEN**
2.1.1.6 - Deliver the Regional Growth Fund Greater Brighton City Region business support programme (KAOF 3.4.1 City Regeneration)	 **GREEN**
2.1.1.7 - Continue to work with business partners to design and deliver key strategies such as the City Employment & Skills plan, the Economic Strategy and the Greater Brighton Economic Board (KAOF 3.4.4 City Regeneration)	 **GREEN**
3.4.3.2 - Undertake a survey of Greater Brighton businesses and disseminate the findings to inform service priorities and policy interventions (KAOF 3.4.3 City Regeneration)	 **GREEN**
1.3.1.1 - Commence building of our first wave of 'New Homes for Neighbourhoods' schemes (KAOF 1.3.1 City Regeneration)	 **GREEN**
1.3.3.10 - Deliver the final transfer of improved homes to Brighton & Hove Seaside Community Homes (KAOF 1.3.2 Housing)	 **GREEN**

4.3.2.1 - Services work together to make access easier, such as exploring single assessment processes, incorporating housing needs and medical assessments, and bringing the Homemove and Housing Options phone lines together. (KAOF 4.3.4 Housing)	 **GREEN**
1.3.3.3 - Work collaboratively with Adult Social Care, Children's Services and Health to reduce long term social care cost pressures, such as securing the Brookmead Extra Care scheme, reviewing the design of our sheltered housing service and recommissioning Supporting People services. (KAOF 1.3.3 Housing)	 **AMBER**
1.3.4.5 - Support the implementation of the Sussex Energy Savers Partnership programme to install energy efficiency measures and support vulnerable residents with heating and insulation installations. (KAOF 1.3.4 Housing)	 **AMBER**
2.3.2.1 - Engage with local communities to develop better ways of helping them to reduce, reuse, recycle and recover value from our domestic waste. (KAOF 2.3.4 City Clean and Parks)	 **RED**
COMMENTS: The council is launching a 12 month community incentive and engagement campaign to encourage residents to recycle more and reduce their waste. Resident focus groups have been held to obtain feedback on why people do not recycle and the first drafts of campaign branding have been produced. Further work is currently on hold due to on-going service disruption. Local work is continuing with the 'Hollingreen campaign' in Hollingdean, including workshops and presentations to the community aimed at promoting reducing waste, and increasing re-use and recycling.	
2.3.2.2 - Review our recycling collection and disposal waste stream strategy. (KAOF 2.3.3 City Clean and Parks)	 **GREEN**
2.5.1.1 - Prepare an updated Open Spaces Strategy to deliver the Biosphere principles in the city and inform the future management of our parks and open spaces. (KAOF 2.5.1 City Clean and Parks)	 **GREEN**
2.5.1.2 - Work in partnership with the South Downs National Park Authority to refurbish Home Farm within the framework of the Stanmer Park Masterplan to promote and encourage greater use of the park and provide an enhanced gateway to the national park. (KAOF 2.5.2 City Clean and Parks)	 **GREEN**
2.5.2.2 - Develop a strong partnership Biosphere programme and broader governance arrangements including One Planet approach to sustainability in the city (KAOF 2.5.3 City Clean and Parks).	 **GREEN**
2.3.1.2 - Review the effectiveness and efficiency of the service changes we introduced in 2013/14 (KAOF 2.3.2 City Clean and Parks)	 **GREEN**

2.3.1.4 - Complete the business case for providing a commercial waste collection service. (KAOF 2.3.6 City Clean and Parks)	 **AMBER**
4.3.5.1 - Complete implementation of changes to our refuse and recycling services and commit to improving satisfaction levels (KAOF 4.3.2 City Clean and Parks)	 **GREEN**
2.3.1.1 - Improve customer satisfaction and positive engagement with our street cleansing waste and recycling collection services (KAOF 2.3.1 City Clean and Parks)	 **RED**
COMMENTS: The council is ready to go with a customer engagement campaign. However, due to industrial action this has been put on hold, as it thought the public will not be as receptive at this time. Engagement plans include an incentive and reward scheme, and improved marketing and social media. Additional communications capacity is being resourced to assist internal and external communications and social media.	
2.4.3.1 - Achieve greater efficiency in the maintenance and upkeep of Parks by reviewing maintenance regimes and working patterns, and strengthening the involvement of volunteers, which will also help to minimise any impact on the existing Green Flag status of some parks. (KAOF 2.4.4 City Clean and Parks)	 **GREEN**
2.5.1.3 - Improve biodiversity in the city through wildflower planting and the creation of Bee Banks as part of the Nature Improvement Area project and delivery of improvements identified in the Local Biodiversity Action Plan. (KAOF 2.5.5 City Clean and Parks)	 **GREEN**
2.5.2.1 - Work to further improve education and engagement of residents with their local environment through the Ranger Service, the schools education programme, the Sussex Festival of Nature, the Biosphere Partnership and partnership working with the South Downs National Park Authority. (KAOF 2.5.4 City Clean and Parks)	 **GREEN**
2.3.1.3 - Completing key stages of fleet procurement (KAOF 2.3.5 City Clean and Parks)	 **GREEN**
2.2.3.1 - Deliver improvements in walking, cycling and public transport facilities through the LTP and schemes including Dyke Road, The Old Town Improvements, Phase 2 and subsequent 20mph Speed Limits, Cycle parking and Cycle training for young people to increase cycling infrastructure and the proportion of people walking and cycling (KAOF 2.2.3 Transport)	 **GREEN**
2.2.1.1 - We will deliver the Council's next Local Transport Plan setting out the long term vision and strategy to provide an accessible and resilient transport system (KAOF 2.2.1 Transport)	 **GREEN**

2.2.1.2 - Continue the development and activity through the Local Transport Body to secure further significant Major Scheme Funding via the Coast to Capital Local Enterprise Partnership and Regional Growth Fund for Brighton and Hove including the £8M secured for Valley Gardens proposals (KAOF 2.2.2 Transport)	 **GREEN**
2.2.1.3 - Develop a new approach to the management of verge and pavement parking (Dec 2014) (KAOF 2.2.4 Transport)	 **GREEN**

Directorate: Finance and Resources **Accountable Director:** Catherine Vaughan

Key Area of Focus	**Status**
1.1.17.6 Key Area of Focus Support Role - Support Strategic Partnership & Police in establishment of MASH, early learning hub (KAOF 1.1.3 Property & Design)	 **GREEN**
2.1.2.1 - Support Major projects - Preston Barracks disposal of site to University of Brighton and Cathedral for development of mixed use scheme. (KAOF 2.1.4 Property and Design)	 **GREEN**
2.1.2.2 - Support Citydeal funding to lead on refurbishment and extension of New England House (KAOF 2.1.2 Property and Design)	 **GREEN**
2.5.4.1 Key Area of Focus Support Role - Support HLF bid for Stanmer Park Master-plan and lead on the Stanmer development of Home Farm buildings (KAOF 2.5.2 Property and Design)	 **GREEN**
4.4.3.1 - Commence Phase 3 of the Workstyles programme involving the disposal of a number of buildings including King's House (KAOF 4.4.3 Property & Design)	 **AMBER**
3.5.3.1 - We will grow the amount of open data we publish through our open Freedom of Information site as well as complying with the new Code of Practice on Data Transparency (KAOF 3.5.3 Finance)	 **AMBER**
4.4.2.1 - Deliver Phase 4 of the Value for Money programme, including an enhanced focus on procurement, client transport, income management and benefits tracking from substantial ICT investment. (KAOF 4.4.2 Finance)	 **GREEN**
4.1.1.1 - We will commission a Local Government Association Corporate Peer Review process (KAOF 4.1.1 Finance & Resources)	 **GREEN**
4.4.1.1- Update our Capital Strategy and Asset Management Plan to ensure we effectively prioritise and generate new resources to support our Medium Term Financial Strategy (KAOF 4.4.1 Finance)	 **GREEN**
1.5.2.6 - Introduce a family support model for those most affected by the Benefit cap (KAOF 1.5.3 City Services)	 **GREEN**

4.1.7.1 - Prepare the 2014/15 Register of Electors and maintain register on a rolling basis	 **AMBER**
4.3.3.1 - Work with customers to co-produce improvements to our website as part of a continuous cycle to test and respond to feedback when we create new digital online and mobile services (KAOF 3.1.1 City Services)	 **AMBER**
4.3.3.2 - Use customer insight to improve experience across all services, by creating a better quality way to share customer stories, complaints and feedback (KAOF 3.1.2 City Services)	 **GREEN**
4.3.3.4 - Continue to improve our website working towards rolling out a 'My Account' for citizens and customers (KAOF 4.3.1 City Services)	 **RED**
COMMENTS: Quarter 2 The number of projects for 2014/15 will be less than originally anticipated, due to other staff balancing other work commitments and complexity of Business Cases. (Corporate Risk FR CS12) Improvements to three service areas have been worked on. A further three have been explored, but were not considered viable at this time. - Online Parking Permits for visitors has gone live, and residents permits will follow - Libraries web pages have undergone a user experience review and are now incorporated into the main council website. - Council Tax project to create an online change off address service has started. This will use the 'self account'. A new approach to driving digital projects is being planned in light of the learning during the year. The Customer Access Team, ICT and the Communications Team are reviewing this and planning for where it will add value for our customers and what is needed to create this. We need to focus on teams Business Plans to incorporate digital technology as part of the wider drive to modernise services. Performance indicator: 6 DiCE projects by April 2015	
4.2.6.1 - Invest in core ICT services to improve staff's day to day user experience, through replacing end of life network, data centre, servers, storage and computers. (KAOF 4.2.4 ICT)	 **AMBER**
4.4.5.1 - Move to a more mixed economy of ICT provision including with neighbouring councils and private sector suppliers. (KAOF 4.4.5 ICT)	 **AMBER**
4.1.11.1 - Improve Council Employees' understanding of the importance of good governance through provision of effective induction, training development and performance management (KAOF 4.1.4 HR & OD)	 **AMBER**

4.2.1.2 - Improve staff satisfaction levels by implementing improvements based around the key messages from the staff survey, specifically improving our internal communication, improving our management capability and building personal resilience	 **GREEN**
4.2.10.4 - Implement the Workforce Equalities Action Plan year 2 commitments and take action to promote positive trends and address areas requiring improvement, meeting our duties under the Equalities Act 2010. (KAOF 4.2.3 HR & OD)	 **GREEN**
4.2.2.1 - Enable the delivery our new culture change programme, Living our values, everyday, designed to improve performance management across the organisation. (KAOF 4.2.2 HR & OD)	 **GREEN**
4.2.4.1 - Ensure the HR infrastructure provides the tools to support modernisation including job families, workforce planning and high quality management information (KAOF 4.2.5 HR & OD)	 **AMBER**

Directorate: Children's Services **Accountable Director:** Pinaki Ghoshal

Key Area of Focus	**Status**
1.1.4.2 - Work with partners to develop a Multi-Agency Safeguarding Hub (MASH) (KAOF 1.1.3 Children's Health, Safeguarding & Care)	 **GREEN**
1.1.1.1 - Review our services for disabled children and those with special educational needs (KAOF 1.1.2 Education & Inclusion)	 **GREEN**
1.1.1.1 - Extend free childcare to 40% of two year olds (1049 children) including families with low incomes from September 2014 (KAOF 1.1.4 Children's Health, Safeguarding & Care)	 **GREEN**
1.1.14.2 - Develop an Early Help hub working effectively with a range of evidenced based interventions such as our Stronger Families Stronger Communities programme (KAOF 1.1.1 Stronger Families, Youth and Communities)	 **GREEN**
1.1.16.1 - Ensure the voice of children and young people is central to the development of service provision (KAOF 1.1.6 Stronger Families, Youth and Communities)	 **GREEN**
1.1.5.1 - Further develop a positive relationship with schools and ensure stronger educational standards (KAOF 1.1.5 Education & Inclusion)	 **GREEN**
1.1.7.1 - Through an agreed strategy ensure the availability of new and appropriate secondary school places in the city (KAOF 1.1.7 Education & Inclusion)	 **GREEN**

Directorate: Adult Services **Accountable Director:** Denise D'Souza

Key Area of Focus	Status
1.2.1.1 - Develop and begin implementation of a major change programme in relation to the Care Bill 2014. This will ensure the Council meets its statutory duties for adult social care and that opportunities are taken through implementation to deliver services that are modern and personalised in their delivery. (KAOF 1.2.2 Assessment Services Adults)	 **AMBER**
1.2.2.1 - Work with partners to deliver integrated services that can deliver improved outcomes for local people and more efficient working across the health and care system through the Better Care programme (KAOF 1.2.3 Assessment Services Adults)	 **AMBER**
1.2.13.3 - Continue to use our effective reablement and promotion of telecare services to support people to live at home, optimising their capacity to live independently and look how best to provide community equipment services jointly with the NHS (KAOF 1.2.1 Assessment Services Adults)	 **AMBER**
4.2.1.3 - Improve staff satisfaction levels by implementing improvements based around the key messages from the staff survey, specifically improving our internal communication, improving our management capability and building personal resilience. (KAOF 4.2.2 Assessment Services)	 **GREEN**
1.2.3.5 - Promote good quality service provision, monitor service quality and take effective action where services are not achieving acceptable standards. (KAOF 1.2.5 Provider Services Adults)	 **GREEN**
1.2.4.4 - Safeguard vulnerable adults from harm, minimising risk to people and the city, through undertaking Adult Social Care statutory functions (KAOF 1.2.6 Provider Services Adults)	 **GREEN**
1.2.9.1 - Develop innovative procurement methods, such as the Commissioning Prospectus approach, to deliver more efficient, quality assured services that support people in their communities. (KAOF 1.2.4 Adults Commissioning & Partnerships)	 **AMBER**
3.1.1.1 - Respond to issues raised in the Adult Social Care City Summit by involving citizens and interested parties in an interactive and varied discussion around six key topics. (KAOF 3.1.4 Adults Commissioning Support)	 **GREEN**

POLICY & RESOURCES COMMITTEE	Agenda Item 97 Brighton & Hove City Council

Subject:		**New Homes for Neighbourhoods – Development of New Homes on General Fund Land - Extract from the Proceedings of the Housing Committee held on 12 November 2014**
Date of Meeting:		**4 December 2014**
Report of:		**Monitoring Officer**
Contact Officer:	Name:	**Caroline DeMarco** **Tel: 29-1063**
	E-mail:	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:

(1) That the initial design and viability modelling be noted and that it be recommended to Policy & Resources Committee that they agree in principle that each of the following sites is appropriated to the Housing Revenue Account for the development of new housing, subject to Housing and Policy & Resources Committees agreeing a further report detailing the final feasibility and design and associated financial implications:

(i) Former library site, Whitehawk Road, Whitehawk, Brighton and
(ii) Wellsbourne site, Whitehawk Road, Whitehawk, Brighton.

(2) That it is agreed that the Estate Regeneration team, in conjunction with the council's Sustainable Futures strategic construction partnership, undertake final feasibility studies, design and development of new housing on sites (i) and (ii).

(3) That initial feasibility/viability studies, consultation, analysis and research to identify potential wider regeneration opportunities in the vicinity of site (i) be agreed.

(4) That Policy & Resources is recommended to approve the transfer of a sum of £1.3M from the HRA to the General Fund for sites (i) and (ii) for best consideration for the land value (as detailed in paragraph 3.8-3.9) as and when the final scheme is approved by Policy & Resources.

(5) That it is agreed that the Estate Regeneration team explore opportunities and options for the delivery of new housing on the car parking site at 7-9 Frederick Street with a view to seeking agreement to appropriate the land

for housing purposes if suitable housing development is subsequently agreed by Housing Committee and Policy & Resources Committee.

HOUSING COMMITTEE

4.00pm 12 NOVEMBER 2014

COUNCIL CHAMBER, HOVE TOWN HALL

DRAFT MINUTES

Present: Councillor Randall (Chair) Councillor Phillips (Deputy Chair), Barnett, Daniel, Meadows, Kennedy, Mears, Peltzer Dunn (Opposition Spokesperson), Rufus and Wilson (Group Spokesperson)

PART ONE

42 NEW HOMES FOR NEIGHBOURHOODS - DEVELOPMENT OF NEW HOMES ON GENERAL FUND LAND

42.1 The Committee considered the report of the Executive Director Environment, Development and Housing which informed Members that the Estate Regeneration Team had continued to explore opportunities to build much needed new homes on council land and to commission initial feasibility and design studies for sites which have potential for council development. The report included the findings of two business case studies of potential development sites on General Fund land for the New Homes for Neighbourhoods Estates Regeneration Programme at the former library site, Whitehawk Road, and the Wellsbourne site, Whitehawk Road.

42.2 The report also discussed the possibility of delivering new housing on the car parking site at 7-9 Frederick Street, Brighton. The report was presented by the Housing Programme Manager.

42.3 The Housing Programme Manager reminded members that revised recommendations had been circulated before the meeting.

42.4 Councillor Mears referred to money being moved from the general fund a few years ago. The new library in Whitehawk had been financed from a grant but there had been a shortfall. Two pieces of land had been put up for sale. The old library site and the Greenhouse. £2.5m had been borrowed from the general fund. Councillor Mears referred to the financial implications and asked if the £1.3m (money needed to be paid to the general fund) was a contribution towards the money borrowed. If this was not the case, Councillor Mears asked what happened with regard to the money that had been borrowed and which needed to be repaid to the general fund.

42.5 Councillor Mears stated that she did not see any parking on the old library site and asked how this would be brought forward.

42.6 Councillor Mears was concerned about the financial implications. She stressed the need to understand the finances and what happened to clear the debt in the general fund.

42.7 The Executive Director Environment, Development and Housing replied that the General Fund had to achieve best consideration for the site. He would have to investigate the history of the site and advise Councillor Mears in due course.

42.8 The Housing Programme Manager referred to paragraph 3.8 in the report which reported that the total capital receipt from both sites was required to be in excess of £1m as this had been identified to help fund part of the construction of the co-location building in a report agreed by the former Cabinet on 14 January 2010. The money was forward funded from the education capital programme and needed to be repaid. Meanwhile, there would be car parking on the former library site. He would inform Councillor Mears of the exact figure following the meeting. There were a considerable number of spaces.

42.9 Councillor Meadows questioned whether planning were being too cautious about the design of the schemes. She stressed the severe need for housing and considered that the blocks at the former library site, and the Wellsbourne site, could have been a couple of stories higher.

42.10 Councillor Wilson referred to community engagement and consultation and asked if there had been feedback to date. The Housing Programme Manager replied that the general feeling was that people want to see housing on those sites. There was a desire for more affordable housing in the city.

42.11 **RESOLVED** -

(1) That the initial design and viability modelling be noted and that it be recommended to Policy & Resources Committee that they agree in principle that each of the following sites is appropriated to the Housing Revenue Account for the development of new housing, subject to Housing and Policy & Resources Committees agreeing a further report detailing the final feasibility and design and associated financial implications:

(i) Former library site, Whitehawk Road, Whitehawk, Brighton and
(ii) Wellsbourne site, Whitehawk Road, Whitehawk, Brighton.

(2) That it is agreed that the Estate Regeneration team, in conjunction with the council's Sustainable Futures strategic construction partnership, undertake final feasibility studies, design and development of new housing on sites (i) and (ii).

(3) That initial feasibility/viability studies, consultation, analysis and research to identify potential wider regeneration opportunities in the vicinity of site (i) be agreed.

(4) That Policy & Resources is recommended to approve the transfer of a sum of £1.3M from the HRA to the General Fund for sites (i) and (ii) for best consideration for the land value (as detailed in paragraph 3.8-3.9) as and when the final scheme is approved by Policy & Resources.

(5) That it is agreed that the Estate Regeneration team explore opportunities and options for the delivery of new housing on the car parking site at 7-9 Frederick Street with a view to seeking agreement to appropriate the land for housing purposes if suitable housing development is subsequently agreed by Housing Committee and Policy & Resources Committee.

POLICY & RESOURCES COMMITTEE	Agenda Item 97 Brighton & Hove City Council

Subject:		**New Homes for Neighbourhoods – development of new homes on General Fund land**		
Date of Meeting:		12 November 2014 – Housing Committee **4 December 2014 – Policy & Resources Committee**		
Report of:		**Geoff Raw, Executive Director, Environment, Development & Housing**		
Contact Officer:	**Name:**	**Sam Smith**	**Tel:**	**291383**
	Email:	**sam.smith@brighton-hove.gov.uk**		
Ward(s) affected:		**All**		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

1.1 The Estate Regeneration team has continued to explore opportunities to build much needed new homes on council land and to commission initial feasibility and design studies for sites which have potential for council development.

1.2 This report includes the findings of two business case studies of potential development sites on General Fund land for the New Homes for Neighbourhoods Estate Regeneration Programme. It seeks Policy & Resources Committee's agreement in principle for the transfer of these sites to the Housing Revenue Account (HRA) and their development for new housing through the council's Sustainable Futures strategic construction partnership.

1.3 The report also requests in principle agreement for the car parking site at Frederick Street, Brighton to be transferred to the HRA. This cleared former residential site is managed as a small commercial car parking site on behalf of the council and belongs to the General Fund. The site has development potential and the Estate Regeneration team would like to explore opportunities for development of new housing on the site.

2. RECOMMENDATIONS:

That the Committee:

2.1 Note the initial design and viability modelling and agree in principle that each of the following sites is appropriated to the Housing Revenue Account for the development of new housing, subject to Housing and Policy & Resources Committees agreeing a further report detailing the final feasibility and design and associated financial implications:

(i) Former library site, Whitehawk Road, Whitehawk, Brighton and
(ii) Wellsbourne site, Whitehawk Road, Whitehawk, Brighton.

2.2 Agree that the Estate Regeneration team, in conjunction with the council's Sustainable Futures strategic construction partnership, undertake final feasibility studies, design and development of new housing on sites (i) and (ii).

2.3 Agree to initial feasibility/viability studies, consultation, analysis and research to identify potential wider regeneration opportunities in the vicinity of site (i).

2.4 Approve the transfer of a sum of £1.3M from the HRA to the General Fund for sites (i) and (ii) for best consideration for the land value (as detailed in paragraph 3.8-3.9) as and when the final scheme is approved by Policy & Resources and the land appropriated to the Housing Revenue Account.

2.5 Agree that the Estate Regeneration team explore opportunities and options for the delivery of new housing on the car parking site at 7-9 Frederick Street with a view to seeking agreement to appropriate the land for housing purposes if suitable housing development is subsequently agreed by Housing Committee and Policy & Resources Committee

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

Background

3.1 Building new homes on council land is a council priority and essential if City Plan housing targets are to be met and the city's 'housing crisis' tackled. The council's New Homes for Neighbourhoods programme is looking at vacant land and infill sites to develop new homes across the city in order to meet City Plan targets and housing need.

3.2 The New Homes for Neighbourhoods report to Housing Committee on 6 March 2013 gave an overview of sites that were being considered for inclusion in the programme including the former library site in Whitehawk. The report advised that officers were working with colleagues in the corporate Property & Design Team to identify opportunities to develop new homes on General Fund land.

Tenure mix and rent levels

3.3 Housing Committee unanimously agreed at its meeting on 6 March 2013 that a range of funding, rent and home ownership options should be provided in new housing to be developed under the Estate Regeneration Programme in order to ensure that development is viable and to increase the number of new homes the Estate Regeneration Programme can deliver. The report indicated the level of Affordable Rents and the impact these higher rents would have on the number of homes the HRA could develop

3.4 Although recognising the need to consider a range of rent levels for new homes and build mixed tenure developments to maximise numbers, members of Housing Committee also expressed concern about the affordability of 'Affordable Rents' if based on 80% of the market rent in Brighton & Hove.

However, the council's Tenancy Strategy, also approved at the March 2013 Housing Committee meeting, seeks to make sure that Affordable Rent homes remain affordable and do not encourage long term benefit dependency. It states the council would expect Affordable Rents to be set at the lower of either 80% market rent level or the Local Housing Allowance (LHA) limit. It was agreed that rent models and tenure mixes for individual schemes would be presented to Housing Committee and that Affordable Rents should be capped at Local Housing Allowance levels of Housing Benefit in accordance with the Tenancy Strategy.

3.5 In approving final schemes for new homes on three former garage sites and the former Manor Place Housing Office at its meetings in June and September 2014, Housing Committee agreed that the rent levels for the new homes should be 80% Market Rents capped at Local Housing Allowance (LHA) levels in accordance with this strategy.

3.6 A report similar to this one was duly considered by the Housing Committee at its meeting of 12 November 2014, who concurred with the recommendations in this report. The project has also received the support of the cross-party Estate Regeneration Member Board.

Whitehawk General Fund sites

Background

3.7 The former Whitehawk Library site is contained a patch office, occupied by social workers, and a Youth Centre as well as a library. The library and social care service were relocated to the new co-location building in Whitehawk, 'The Hub'. The provision of the Youth service underwent significant change. All buildings have been demolished and the site boarded.

3.8 The Wellsbourne site used to form part of Whitehawk Primary School, but was declared surplus several years ago. The site, which included a 1930's built school block was leased to EB4U (a regeneration vehicle which had funding through New Deal for Communities) for 25 years to use as offices. EB4U had plans to develop the site, but eventually surrendered it back to the council. The council built a Children's Centre on part of the site and leased another part on a long lease to a developer who built a GP surgery. Another part of the site was more recently developed as The Hub which accommodates a range of council services including a new library that opened in July 2011. There is one development plot that remains undeveloped – the Wellsbourne site.

3.9 The total capital receipt from both these sites is required to be in excess of £1m as this had been identified to help fund part of the construction of the co-location building in a report agreed by the former Cabinet on 14 January 2010. This money needs to be repaid.

3.10 The General Fund need to ensure that they achieve best consideration for the site as they could have sold it on the open market to a private developer. Based on the marketing of the site that was undertaken last year, this is estimated at £1.3m which is in excess of the required £1M.

Proposals

3.11 Architectural feasibility studies have been undertaken by Feilden Clegg Bradley Studios (FCB).

3.12 The proposal for the former library site has 57 apartments in two buildings designed to maximise the regeneration impact of this prominent site and transform the 'gateway' to Whitehawk. The new homes are accommodated in two new buildings, each is 4 storeys high, on the Western and Eastern edge of the site. It is proposed that these buildings are made of brick with individual balconies for each apartment (see appendix 1).

3.13 The Wellsbourne proposal is for a three storey scheme that fits comfortably below the Whitehawk Hub and new library and the context of the Whitehawk valley. The eastern building looks out over the pedestrian walkway and the front entrance of the Whitehawk Hub and library, enhancing security. Landscaped central amenity space affords on site parking provision to relieve parking pressure in Whitehawk Road and natural surveillance over the area and adjacent path(see appendix 2).

3.14 Both designs include wheelchair accessible properties, are designed to Code Level 4 sustainability standards and meet Lifetime Homes standard.

Business Case findings

3.15 Initial viability modelling has been undertaken for the two Whitehawk sites looking at different options including:

- Provide all units at 100% Affordable Rents capped at LHA levels
- Provide a mix of 60% market sales and 40% Affordable Rent

3.16 The modelling included funding and marketing costs, an allowance for s106 contributions and to achieve Code for Sustainable Homes Level 4 plus a One Planet Living offer, site abnormals and external works.

3.17 Modelling on 100% Affordable Rent capped at LHA levels indicates subsidy requirements as follows:

	Former Library site Rent per week at 80% market rent/LHA rate per week	**Wellsbourne site** Rent per week at 80% market rent/LHA rate per week
Overview	57 flats	28 flats
Rent per 1 bed flat	£151	£151
Rent per 2 bed flat	£190	£190
Rent per 3 bed flat	£228	£228

HRA subsidy per home	£17,000	£14,980
Total HRA subsidy requirement	£969,000	£419,400

3.18 So, if all units are rented, the HRA subsidy required for the two sites is £1,388,400. As the general fund requires a capital receipt for this site of £1.3m, this is £2,688,400 in total. This equates to £31,628 per unit in subsidy from the HRA.

3.19 Financial modelling indicates that council led development of the two sites at 60% market sales and 40% Affordable Rent in line with the council's Affordable Housing Brief could deliver a surplus estimated at £2,069,300.

3.20 The former library could deliver an estimated surplus for the scheme of £1,508,200 and the Wellsbourne site an estimated surplus for the scheme of £561,100.

3.21 The size and tenure profile of the flats is based on the council's Affordable Housing Brief, delivering 40% Affordable Housing as follows:

	Market sale units Former library	**Affordable units** Former library	**Market sale units** Wellsbourne	**Affordable units** Wellsbourne
1 bed	5	7	9	3
2 bed	23	10	8	5
3 bed	6	6	0	3
Total	**34**	**23**	**17**	**11**

3.22 Affordable units are 100% Affordable Rent in this modelling as there is a shortage of rented as opposed to shared ownership affordable units coming forward in affordable housing across the city. The estimated surplus at this stage is in excess of the £1.3 million required by the General Fund and there may therefore be potential to increase the percentage of affordable homes. The financial modelling assumes that Right to Buy receipts can be used to fund 30% of the development costs of the affordable rented units only.

Wider Regeneration Opportunities

3.23 The proposed Whitehawk developments are located in an area of the city which has high levels of deprivation. There are a number of existing council homes in the area that are of high cost to the council in terms of maintenance and therefore have high long-term investment needs. The development of new homes on the former library and Wellsbourne sites could act as a catalyst for wider regeneration of the area by providing high quality new homes that could be used to decant residents of existing properties in the South Whitehawk area. Any proposals would require careful analysis, consideration and in-depth community consultation. The team will be undertaking initial feasibility/viability

studies, analysis and research to identify potential opportunities and associated issues. Findings will be reported back initially to the cross-party Estate Regeneration Members Board.

Frederick Street

3.24 The car parking site at 7-9 Frederick Street, Brighton BN1 4TA consists of eight car parking spaces on a cleared site in the middle of residential terraced houses (see site plan at appendix 3). There are office buildings to the rear of the site. Around 2-3 housing units are estimated as potentially deliverable.

3.25 The Estate Regeneration Team is asking for in principle agreement for the site to be appropriated into the HRA if a suitable council-led housing development can be modelled for that site, so that opportunities and options can be explored.

3.26 The site was identified as a potential infill opportunity by consultants in the HRA Estate Masterplan, but belongs to the General Fund. The site is currently managed as commercial car parking spaces on behalf of the council. Initial calculations indicate that the loss of rental income to the General Fund will potentially be offset by the combined income from New Homes Bonus and Council Tax associated with the new homes. Should a suitable proposal be developed for the site, more detailed analysis will need to be undertaken and best consideration for the General Fund demonstrated. Any proposal will be reported back to the Housing and Policy & Resources Committees.

Next Steps

3.27 If Housing Committee agrees to proceed to final feasibility studies, design and development of new council housing on the Whitehawk General Fund sites and P&R approves their appropriation to the HRA, they will follow the same delivery route as the former Manor Place Housing Office site. Final design, construction and development will be undertaken by the council's in-house architecture and design team and corporate Sustainable Futures strategic construction partnership.

Strategic construction partnership

3.28 The partnership was procured under an OJEU procurement process authorised by Policy & Resources Committee on 21st March 2013, following two previously successful construction partnerships. The new partnership started in early 2014 for a contract term of four years and to a value of £60 million. It is delivering construction projects from various council client departments as well as Estate Regeneration and is managed by the council's Property & Design department.

3.29 This development route offers a number of benefits to the New Homes for Neighbourhoods programme. Development will be quicker as the constructor, surveyors and sub-contractors are already procured. Use of in-house architects to work up final design from the initial studies obviates the need for another procurement process and ensures good liaison with the Estate Regeneration team and Housing. Using the partnership will ensure consistency of standards and approach as more schemes are developed. Projects will benefit from the

economies of scale and value for money that ensue from being part of a large value established partnership.

3.30 The design team, including the constructor and sub contractors, work with the Estate Regeneration team right from the handover of the initial design and viability studies. This early involvement ensures that final design and construction risks are minimised and that new homes will meet Housing's requirements. Throughout the design process prices for each element are obtained and reviewed by the team and if necessary the design is amended to ensure that the budget is met.

3.31 The design team, including a member of the Estate Regeneration team, meet every four weeks and work together within the assigned budget to set the Agreed Maximum Price following on from which the Quantity Surveyor will produce a review document for audit purposes which demonstrates that the project has achieved best value. This document benchmarks the square metre (m^2) rates against previous partnered and non partnered schemes and also against national construction rates for housing. In addition, an independent partnering advisor is employed and a Core Group meets monthly to oversee the arrangements and takes a strategic view of each scheme, ensuring that key deadlines are met.

3.32 For the Whitehawk Library and Wellsbourne sites, subject to Housing Committee and P&R agreement, it is anticipated that development would largely follow the timetable below. The former library site would be developed first with work starting on the Wellsbourne site three months later; this will enable effective phasing of the works and efficient use of resources across the two projects.

Milestone	Former Library Target date	Wellsbourne Target date
Policy and Resources decision	4 Dec 14	4 Dec 14
Project handover	Dec 14	Mar 14
Detailed design and consultation	Jan-April 15	Apr-Jul 15
Final design and financial modelling to Housing Committee	April 15 (date to be set)	April 15 (date to be set)
Planning decision	Aug 15	Nov 15
Mobilisation	Sep-Oct 15	Dec-Jan 16
Construction	Nov 15-Nov16	Feb 16-Feb17
Handover	Dec 16	Mar 17

3.33 Regular updates on progress and costs will be provided to the cross-party Estate Regeneration Member Board.

4. COMMUNITY ENGAGEMENT AND CONSULTATION

4.1 A wide range of communication and consultation has taken place with residents and other stakeholders for sites included in the New Homes for Neighbourhoods programme including:

- Letters to local residents
- Drop-in consultation events for local residents
- Briefings, site visits and updates for ward councillors
- Presentations and updates at local resident association meetings
- Presentations to Area Housing Panels
- Presentations and stand at tenants' and leaseholders' City Assemblies

In addition, information has been made available on the New Homes for Neighbourhoods page on the council's website and in the council tenants' and leaseholders' newsletter Homing In.

4.2 The team has liaised with the Whitehawk Neighbourhood Council and their Task and Finish Group about the Whitehawk sites. The team will continue and increase this engagement as the project develops.

4.3 The Estate Regeneration team will continue to update local ward councillors and involve resident associations and residents as schemes are progressed. Proposed consultation with local residents on the former library and Wellsbourne sites includes a Planning for Real session for in early 2015. This will enable public consultation on the proposals, understanding of local concerns and exploration of wider redevelopment opportunities.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

5.1 The financial viability modelling sets out to show whether a given scheme can pay for itself by using the new rental stream only (net of management and maintenance costs) over 30 years to pay for the principal and interest on the borrowing required to fund the development. It also assumes that 30% of the development costs are met from retained Right to Buy (RTB) Receipts. If the rental stream and RTB receipts are insufficient to meet the costs, then a subsidy is required by the HRA.

5.2 The costs of final feasibility studies and design for these sites can be funded from within the current 2014/15 capital programme. The Whitehawk and Wellsbourne indicate scheme development costs are currently estimated at £16 m and the viability modelling indicates that if all units were let at 80% market rent capped at LHA rate, then the subsidy required from the HRA is an estimated £1,388,400 (excluding the Land value) for 85 units. Taking account of the need to pay £1.3m to the General Fund for the land means this equates to £2,688,400 or £31,628 per unit. However, the sites would make a surplus of £2,069,300 (or £769,300 net of the payment of £1.3m to the General Fund), if 60% of the properties were sold at market prices. Further analysis of the tenure mix of rented /open market sales to reduce the HRA subsidy requirement will be undertaken subject to the final feasibility studies, design and development. Therefore once the final feasibility study and design is complete a full report will be submitted to Housing Committee and Policy & Resources Committee detailing the full financial implications including capital, revenue and borrowing requirements.

5.3 The feasibility study and design costs for Frederick Street site will be included in the TBM forecast for the HRA capital programme and will cost a maximum of £25,000. If committee agrees to the recommendations of this report and a viable business case is developed for this scheme a further detailed project report will be report back to the appropriate Committees.

Finance Officer Consulted: Monica Brooks Date: 22nd October 2014

Legal Implications:

5.4 The Council has the power under Section 19(1) of the Housing Act 1985 to appropriate any land for the time being vested in it for the purposes of Part II of the Housing Act 1985 and Section 19(1) of the Housing Act 1985 provides that the Council will have the same powers in relation to land appropriated into the HRA as it has in relation to land acquired by the Council for HRA purposes. Once the land is appropriated the Council will therefore have the power to build housing for sale on the sites.

5.5 With regard to funding the possible development of housing for sale through the HRA, expenditure in respect of HRA land which is capital expenditure and which the Council has decided should be charged through a revenue account falls to be debited from the HRA pursuant to Schedule 4, Part II of the Local Government and Housing Act 1989.

5.6 With regard to the disposal of any market sale properties once built, disposals of HRA property out of the Council's ownership require consent under Section 32 of the 1985 Act. The current general consents are contained in the General Housing Consents 2013, issued in March 2013. General consent A3.1.1 allows a local authority to dispose of land (which could include houses and flats) at market value. Disposals of tenanted properties (other than to another local authority) and disposals to a body in which the local authority owns an interest (other than where the local authority has no HRA or in the case of the first 5 disposals in any financial year) are not covered by this consent but this should not apply to the Council's proposals here. The Council therefore has the power, subject to Secretary of State consent, to dispose of any HRA properties which it develops for market sale and under the current Section 32 general consents it should be able to rely upon General Consent A3.1.1.

5.7 Regard should be given to existing rights and easements discovered in the due diligence process for the sites, such as a Tree Preservation Order at Wellsbourne Centre.

Lawyer Consulted: Bob Bruce Date: 17/11/14

Equalities Implications:

5.8 An increase in housing supply will extend opportunities to provide new, well designed homes to local households registered in need. New development provides an opportunity to better meet the needs of particularly vulnerable households including those, such as existing elderly residents, who may be under occupying a home that no longer meets their changing needs. Building all

homes to Lifetime Homes standard and at least 10% in the New Homes for Neighbourhoods programme to wheelchair standard will meet the needs of residents with mobility needs and wheelchair users.

Sustainability Implications:

5.9 High sustainability standards are important for new homes built by the council and we want to achieve homes that are energy efficient and minimise carbon emissions. New homes will also include features to help support people to live sustainable lifestyles and encourage the development of more sustainable communities.

5.10 The designs are for homes to be built to Code for Sustainable Homes Level 4 which includes high sustainability and energy efficiency standards. The architects have also looked at ways that One Planet Living can be supported and an allowance for that has been included in the estimated scheme construction costs.

Crime & Disorder Implications:

5.11 The New Homes for Neighbourhoods Estate Regeneration Programme offers the opportunity to provide new, well-designed homes and link to wider regeneration opportunities, including work to deliver the council's economic and sustainability objectives. Good urban housing has been shown to influence the rate of crime and disorder and quality of life. New developments are designed to Secure by Design principles to minimise risk of crime.

5.12 Infill sites and underused garages are places that can attract anti-social behaviour and fly-tipping. Development of these sites can therefore improve neighbourhoods and reduce crime and the fear of crime.

Risk and Opportunity Management Implications:

5.13 There are a number of risks and benefits associated with the Estate Regeneration Programme and a risk log is maintained to monitor these and ensure mitigation measures and contingency plans are in place. Key risks for these schemes include:

Risk	Mitigation
Financial risk Increasing costs due to construction inflation	• The Strategic Partnership which would deliver the schemes works on basis of agreed rates and Agreed Maximum Price for schemes in order to control the risk of costs increasing • Early involvement of Quantity Surveyor and the constructor Westridge in scheme development means that schemes are fully costed and controlled from earlier stage than Design & Build or traditional procurement would enable

Financial risk Whitehawk General Fund schemes do not deliver required surplus of £1.3M	• Initial financial modelling undertaken by financial/housing consultancy with extensive experience • Financial modelling based on assumptions developed with input from Estate Regeneration, Housing, HRA Finance Team and Property & Design • Council is developing in-house capacity to undertake financial modelling which will enable rolling update of financial model as scheme progresses • Marketing expertise would be procured at an early stage to minimise marketing risk for any sales units • Legal advice is SDLT would not be payable for land transfer to HRA • Schemes not dependant on HCA funding; Right to Buy receipts could help finance development
Planning risk Planning permission is not achieved for the sites	• Planning have been consulted from an early stage in the development of the council's proposals • Workshops held with Planning as initial and final design developed • Head of Planning & Enforcement and Development Control Manager both attend Estate Regeneration Programme Board
Community risk Scheme is not supported by local community	• New Homes for Neighbourhoods programme is committed to early consultation with residents and other stakeholders • Ward councillors and Neighbourhood Council Whitehawk Economic Development Task & Finish Group have been informed about proposals
Legal Risk Council does not have sufficient powers to develop for market sales and make a surplus	• The council is able to develop for market sale and consent for disposal is covered under general consents

Public Health Implications:

5.14 There are strong links between improving housing, providing new affordable homes and reducing health inequalities. Energy efficient homes which are easier and cheaper to heat will help support the health of households.

Corporate / Citywide Implications:

5.15 The Sustainable Futures Partnership is committed to working with the Local Employment Scheme to ensure that work, apprenticeship and training opportunities are provided as part of the development of these sites.

5.16 Each new unit of housing has potential to generate new income for the council by providing New Homes Bonus. The New Homes Bonus (NHB) is paid by government for each new unit of housing or home brought back into use in the city. This is paid annually for six years and is based on Band C Council Tax (currently £1,366.36) plus an additional £350 for each affordable unit.

5.17 Every new unit of housing in the city is potentially a source of additional Council Tax income for the council. This is potentially affected by the following factors:

- Single persons get a Council Tax discount of 25% (45% of households in the city are single occupancy)
- People in receipt of Council Tax benefit will not pay full Council Tax (7-93% depending on income)

5.18 New housing has an economic impact in a number of ways:

- Homes and Communities Agency analysis estimated every £1 spent on construction creates £2.60 in added economic value
- Construction jobs – direct and indirect (one new home gives equivalent of one job for 2-3 years)
- Local supply chain
- Stable housing enables people to get stable work
- Mix of tenure needed for mix of skills in labour market
- Good mixed housing improves ‘place competitiveness’

SUPPORTING DOCUMENTATION

Appendices:

1. Initial design briefing note including site map – Former Whitehawk Library
2. Initial design briefing note including site map – Wellsbourne
3. Site map – Fredrick Street

Documents in Members' Rooms

None

Background Documents

New Homes for Neighbourhoods – Estate Regeneration Programme report to Housing Committee 6 March 2013
New Homes for Neighbourhoods – development of new homes on Housing

Brighton and Hove City Council

Former Library - Housing Study

Brighton & Hove City Council

Introduction

The proposed scheme is a 57 apartment scheme with a mix of 1, 2 and 3 bed units. There are 12 x1 bed units, 33x 2 bed units and 12 x 3 bed units. Access to all the apartments is possible from lifts. 10 % of the apartments are wheelchair accessible.

These are accommodated in two new buildings, each is 4 storeys high, on the Western and Eastern edge of the site.

The design of the residential units meets the client brief for housing which meets the affordable housing policy dated June 2011. This relates specifically to the size of the unit and the layout and amenity, such as balconies. The long term adaptability of the scheme is satisfied through the standards for lifetime homes.

It is proposed at this concept design stage that these buildings are made of brick with individual balconies for each apartment. The building is designed to code level 4, in line with the brownfield status of the site, and aspires to the One Planet Living standards.



Aerial view of the site from the South



view looking North from within the site



View from South of the site on Whitehawk road

Massing in context

The pair of buildings are both 4 storeys high, entrances to both buidlings are from the central landscaped amenity space giving it activity and purpose. The buildings are located to enjoy West and East light.

Vehicular access to the site is at the Northern edge of the site in the natural break between the building on the West and the neighbouring properties.

The larger building sits on Whitehawk Road, set back from the pavement edge, with a landscape buffer zone providing private amenity space for each apartment at ground floor.

The smaller building on the Eastern edge of the site accommodates the considerable rise in levels along Findon Road with undercroft parking at the lower ground level.

The Southern ends of the buildings are chamfered forming ‘noses’ to the buildings which can be seen from the street. The proposal occupies a prominent site within Whitehawk and it is the intention that the ends of the building have a positive impact as they signal regeneration for the area.



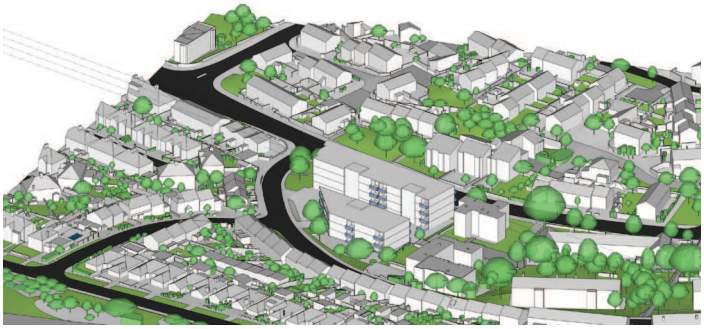
view of the scheme in context



West elevation of Whitehawk Road in context

Brighton and Hove City Council

Former Library - Housing Study



View from the North



View from the South



Site plan indicating a typical upper floor plan



Southern elevation in context

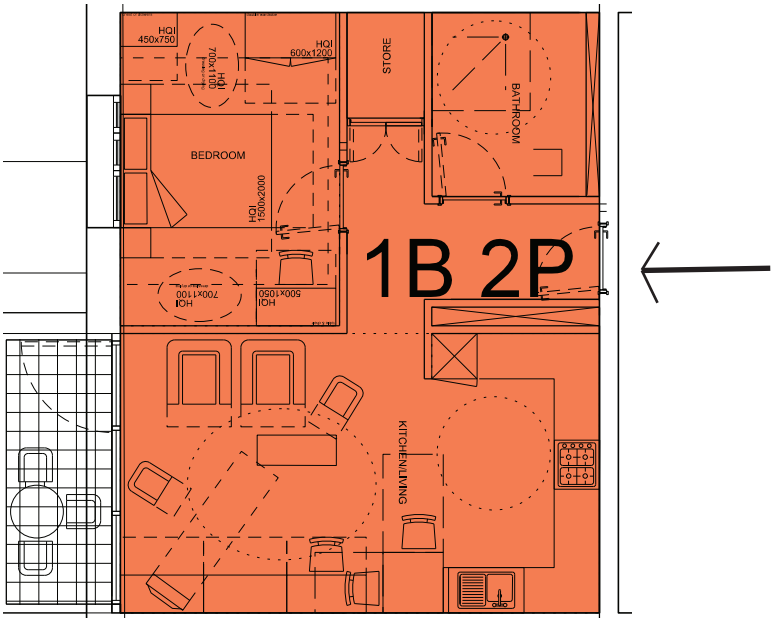
28th October 2013

FeildenCleggBradleyStudios

Internal design of typical apartments

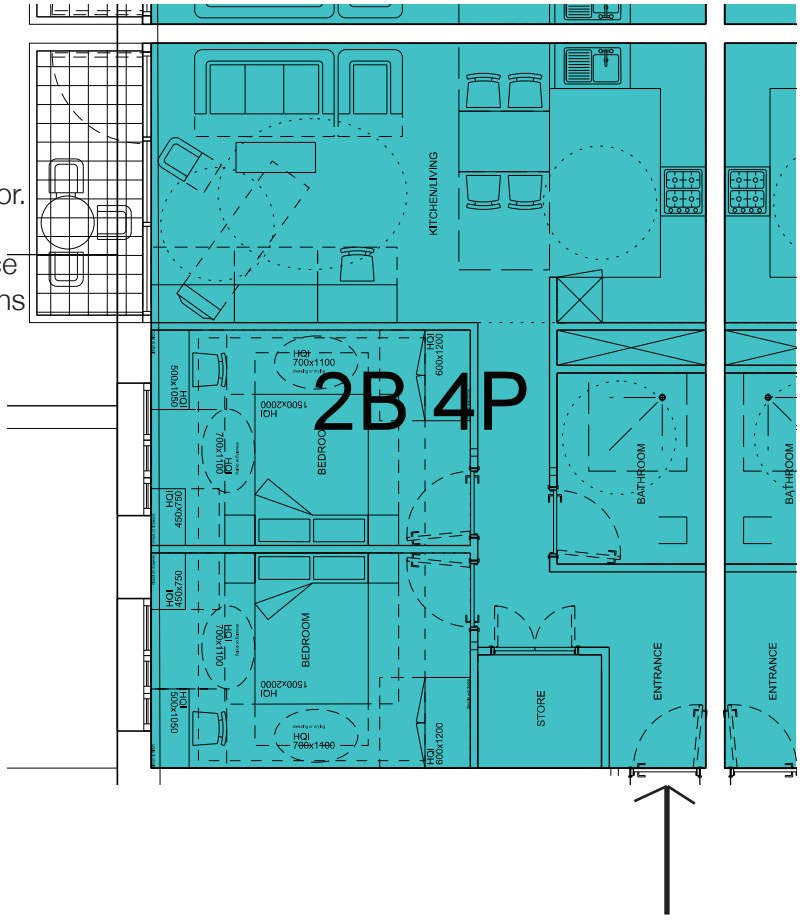
1 bed apartment

- The 1bed flats have shared kitchen dining facilities which have direct access onto a projecting balcony.
- The entrance to the flat is central to the lay-out. A services riser is located by the front door.



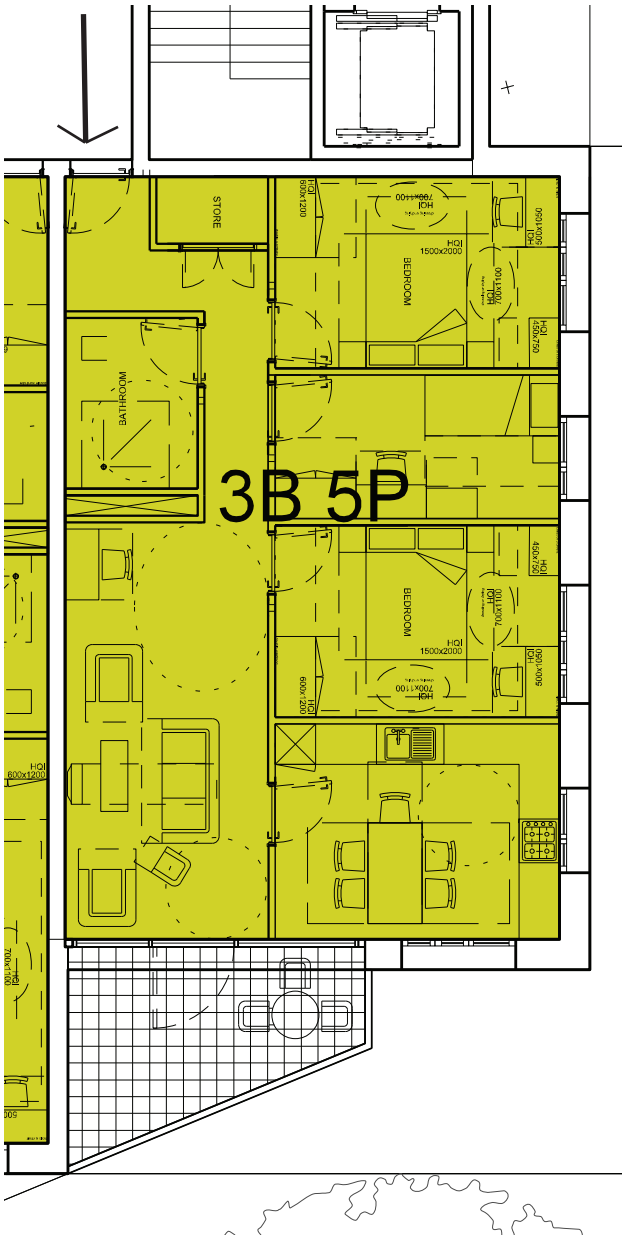
2 bed apartment

- The 2 bed 4person unit has 2 double bedrooms accessed off a central corridor.
- An extended kitchen / dining living space is located at the end of the flat and opens out into a projecting balcony.
- Corner units enjoy dual aspect layout.



3 bed apartment

- The 3 bed units are for 5 people and are located on the corner of the building.
- The kitchen / dining and living are in 2 separate rooms which have access onto the balcony at the southern tip of the building.



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Brighton and Hove City Council

Wellsbourne - Housing Study

Introduction

The proposed scheme is a 28 unit proposal with a mix of 1, 2 & 3 bed units. These are accommodated in 2 new buildings on the western and eastern edge of the wellsbourne site. 10 % of the apartments are accesible. There are 12 x 1 bed units, 13 x 2 bed units and 3 x 3 bed units.

The housing units are sized to meet the affordable housing brief. The long term adaptability is met through the standards for lifetime homes.

The buildings are designed to have minimal impact on the adjacent properties, including the new library and to work with the overall master plan for the area, identifying intended pedestrian routes through the site, making the most of the views to the landscape and adding the agenda of residential amenity to the strong community provision of the school, GP surgery, library and health centre to the site.

The buildings are organised such that as many of the flats enjoy dual aspect as much possible. Between the 2 buildings is a central landscaped area which includes some parking. This space allows views through to the school, and enables the footpath that runs along the North edge of the site to be overlooked.



Aerial view from the North



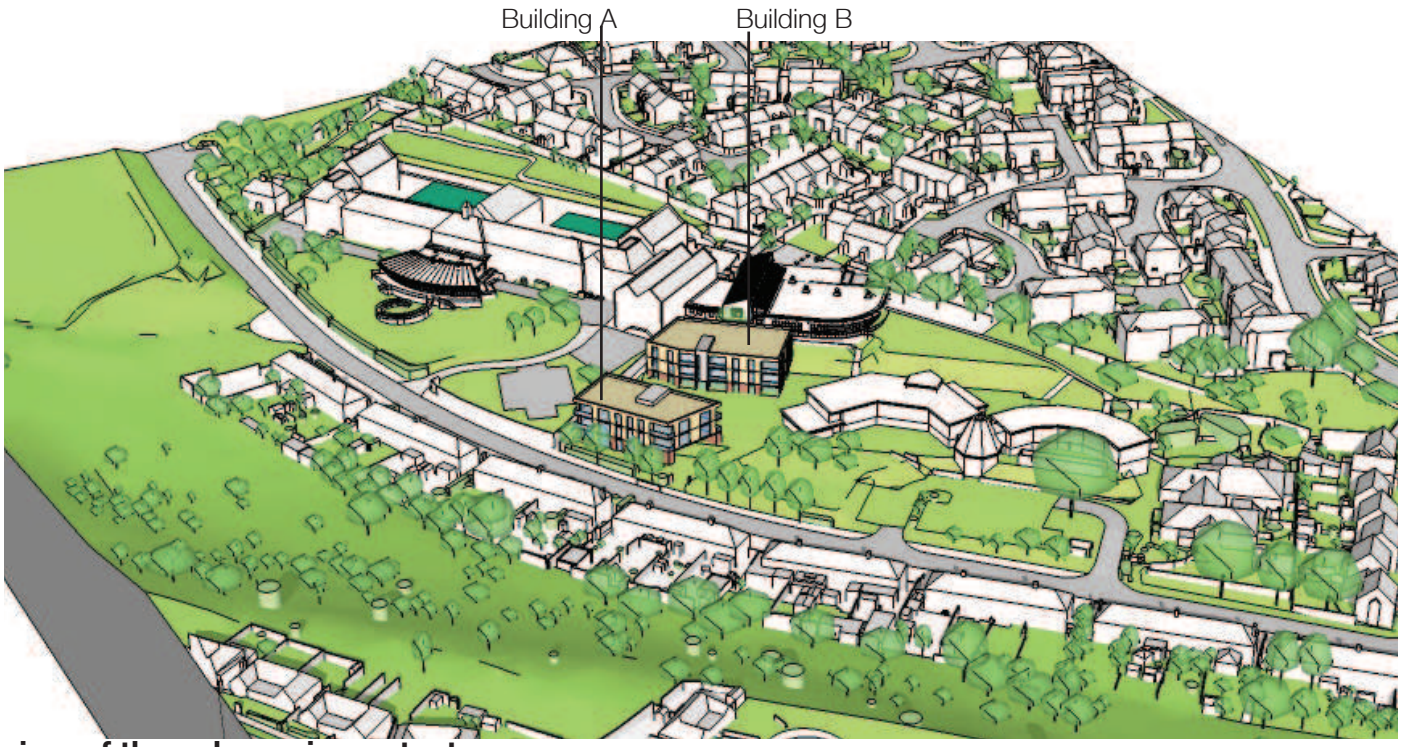
street view from Whitehawk Road

Massing in context

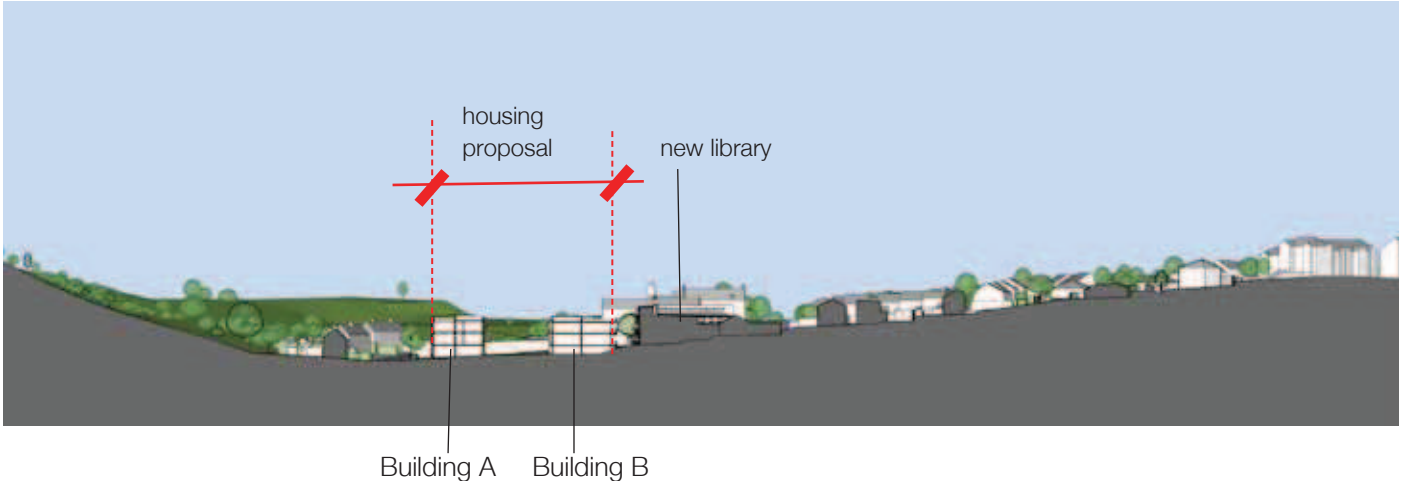
At design concept stage the proposal is for a pair of 3 storey buildings which relate, in their geometry, to either end of the site, one facing Whitehawk Road, and one the footpath between the new library and the site.

The space between the buildings reduces the impact of the proposal to the area. The community buildings are of a similar scale.

The site context rises up clearly to the West and East and the cross section through the site demonstrates that the 3 storey massing sits comfortably below the profile of the new library, and the semi-detached housing rises up the valley side to the East.



view of the scheme in context



Brighton and Hove City Council

Wellsbourne - Housing Study



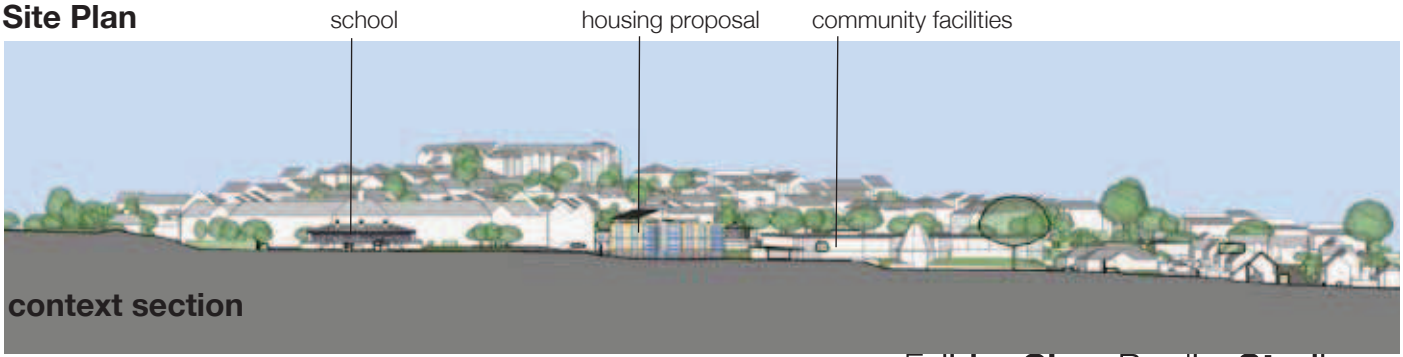
View from the North



View from the South



Site Plan

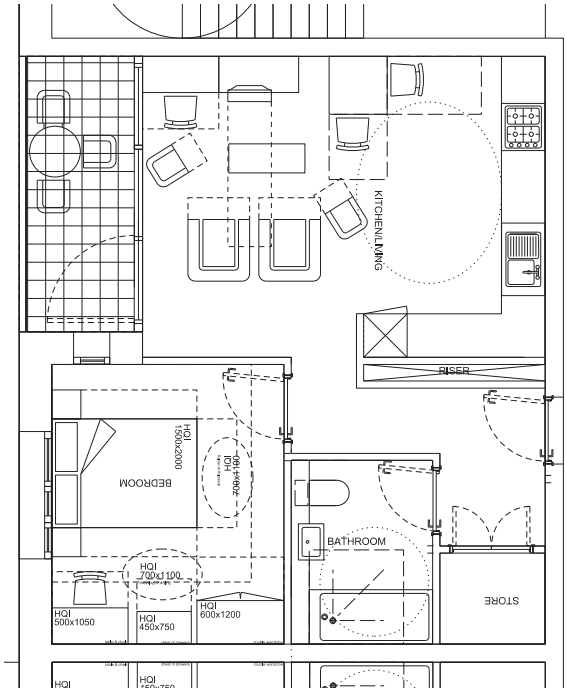


Internal design of typical apartments

The flat plans have been developed in line with the housing standards required in the brief.

1 bed apartment

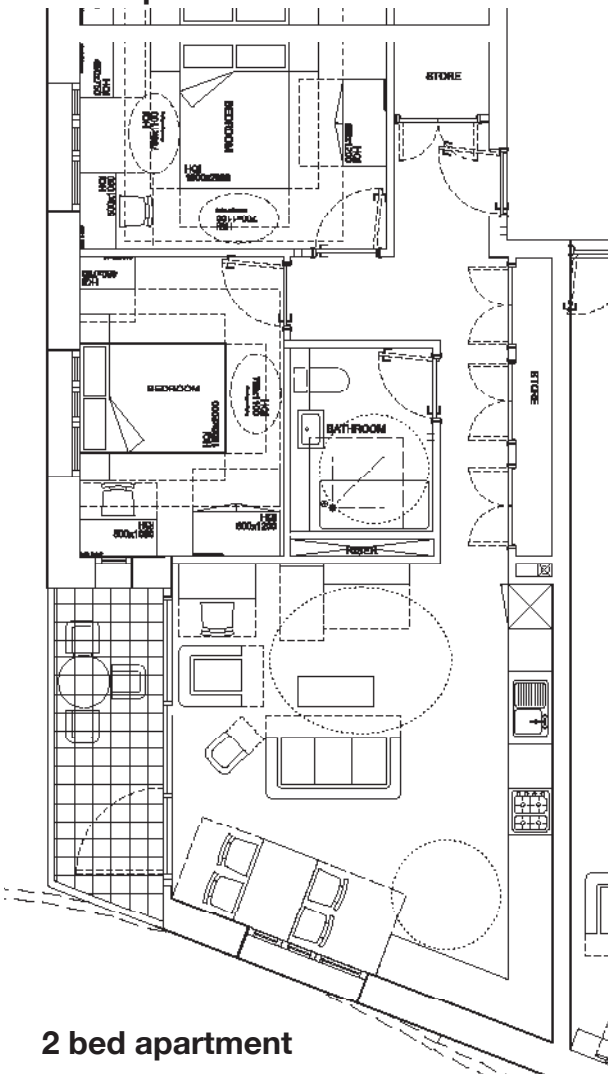
- A central entrance point with a store and bathroom off the hall
- The recessed balcony, which meets the need for private amenity space as set out in standards forms the front of the living and dining area
- One bed flats are located in Building B, some are single aspect, facing West or East, and some on the corners of building enjoy dual aspect.



1 bed apartment

2 bed apartment

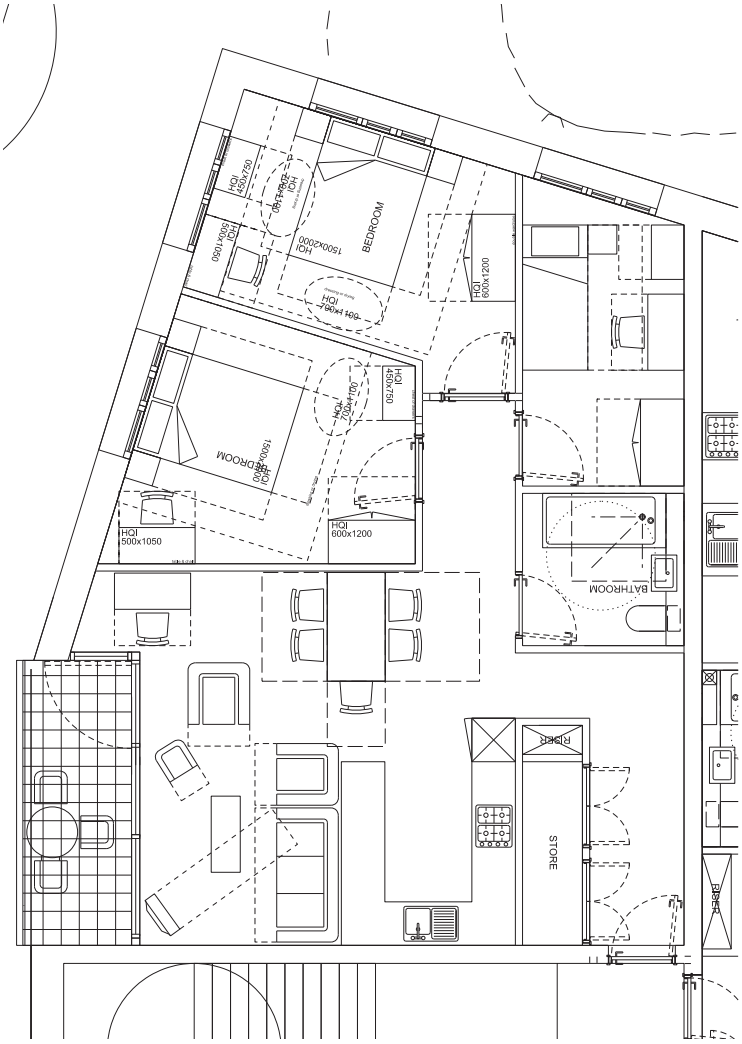
- The entrance to the 2bed flat is from the central staircase.
- There are 2 double bedrooms with the associated storage and desk space as defined in the Housing Quality Indicators.
- There is one main kitchen / dining and living area which opens out to the south to a generous terrace.



2 bed apartment

3 bed apartment

- The typical 3 bedroom flat plan layout enjoys dual aspect.
- The main entrance is at one end of the plan and has a store off the hall.
- The recessed balcony is designed to relate to the main living area.



3 bed apartment

Approach to the elevations

The buildings have been designed as a pair of pavilion buildings connecting with the new hub of community buildings and allowing views through to the wider landscape of the valley.

The approach to the elevations is informed by the internal layout of the building, the relationship to the context, the requirement to meet code level 4 and the budget.

The elevations have a horizontal emphasis in keeping with their overall proportions and is split into 2/3rds vertical timber cladding at the higher levels and one third brick at the ground floor.

The corners of the plans are cut away with recessed balconies. The internal linings to these deep reveals could be rendered to add colour to the elevation. The upper floors are dealt with as a continuous timber screen. Movement joints and vents could be dealt with at a horizontal joint at the second floor slab.

Windows would be metal windows with a timber inner skin, capable of being cleaned from the inside.

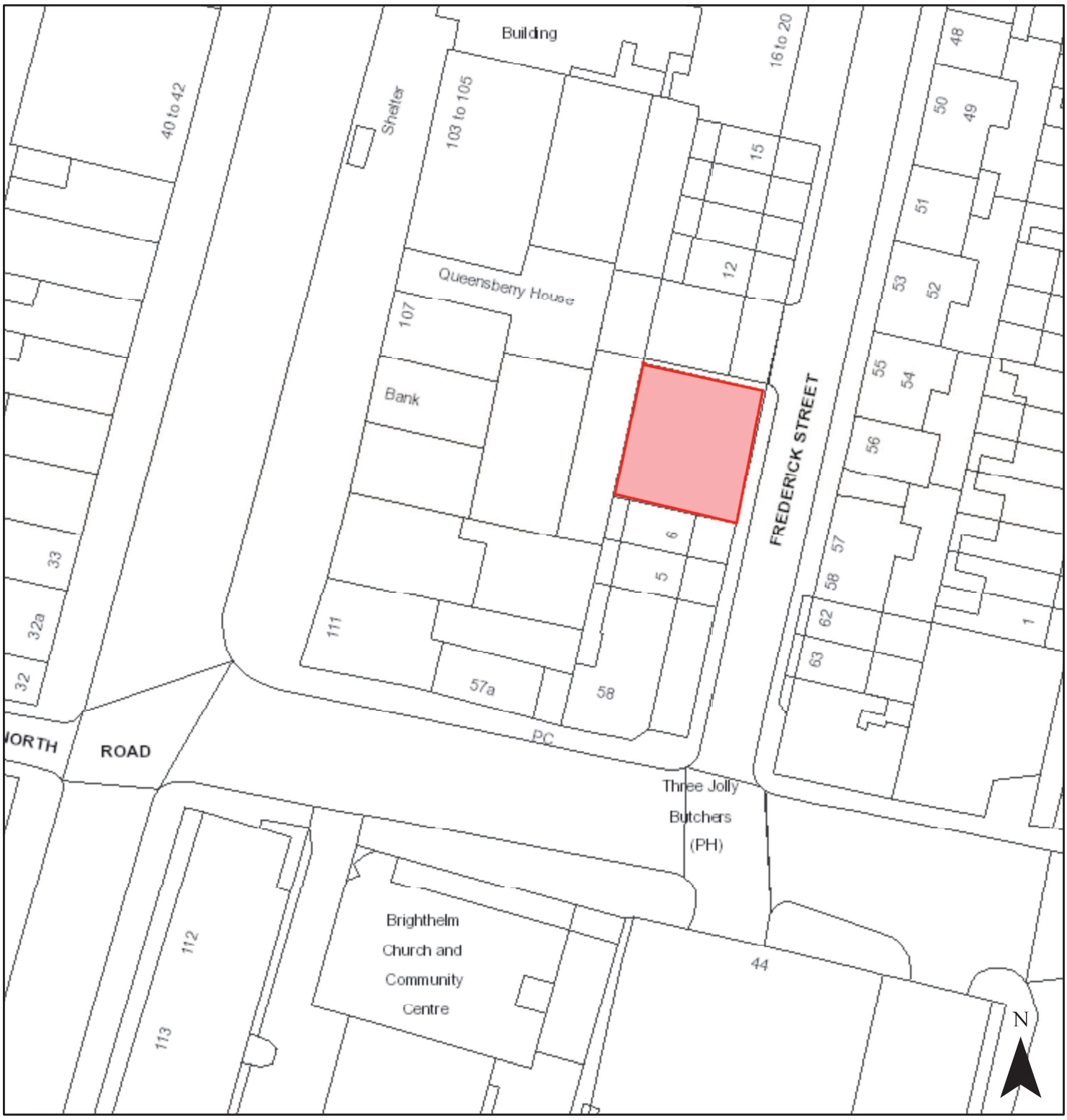




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7-9 Frederick Street



Legend

Brighton & Hove City Council

Scale 1:500

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POLICY & RESOURCES COMMITTEE	Agenda Item 98 Brighton & Hove City Council

Subject:		**Hostels and Homeless Provision**
Date of Meeting:		**4 December 2014**
Report of:		**Executive Director of Adult Services**
Contact Officer:	**Name:**	**Richard Denyer-Bewick Tel: 296370**
	Email:	**Richard.Denyer-Bewick@brighton-hove.gov.uk**
Ward(s) affected:		**All**

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 Housing Related Support (formerly Supporting People) contracts for homelessness are due to end on 31st March 2015. In the plan to re-commission services, 2015/16 will be a transitional year with multiple service reviews and phased retendering processes. This will include street outreach for people rough sleeping, hostel accommodation and floating support services. The current model is called the Integrated Support Pathway and has been operating for approximately 10 years.

1.2 A range of directly provided (in house) council services contribute to this delivery model. There are three Council run hostel services: Glenwood Lodge Project (GLP), New Steine Mews (NSM) and West Pier Project (WPP). GLP and WPP premises are leased buildings and leases are due to expire in April and May 2015 respectively. A decision needs to be made as to how to proceed with delivery of these services beyond the end of the leases and into the transitional period where homelessness services are being reviewed and retendered.

2. RECOMMENDATIONS:

2.1 That the Committee note the contents of the report and agree to continue to operate in-house hostels, while the whole system review of the supported housing Integrated Support Pathway is undertaken and future service delivery options are developed.

2.2 That the Committee agree in principle to entering into leases for Glenwood Lodge Project and West Pier Project from April / May 2015, with break clauses not exceeding five years.

2.3 That the Committee agrees to delegate authority to the Executive Director of Adult Services to negotiate and enter into new leases with premises' landlords following consultation with the Executive Directors of Environment, Development & Housing and Finance & Resources and the Monitoring Officer.

3. CONTEXT/ BACKGROUND INFORMATION

Integrated Support Pathway (ISP):

3.1 The ISP is a range of commissioned services for people who are homeless or require housing related support. The majority of people using these services are 'single homeless' people who the local authority has no statutory duty to house, but for whom without support, may become street homeless or as a result access statutory services (Social Care, Health and Police). The ISP is the current model for single homeless people in the city and provides support throughout an individual's progress, from street homelessness through to independent living.

3.2 There are five Bands within the Pathway. Band 1 is street based outreach and emergency accommodation services; Band 2 is 24hr staffed hostels for people with high support needs; Band 3 is Accommodation with lower level floating support; Bands 4 and 5 offer drop in, floating support, peer support and crisis intervention services to people who are living independently. A review and remodelling of these services is underway, with commissioners from Housing, Social Care, Public Health, Children's Services and the CCG collectively working on future delivery options for the city and considering the future financial constraints of Council budgets. The Council directly provides some of the ISP model as in house services.

3.3 Three of the seven Band 2 hostels are Council run with the others being commissioned and contracted in the independent sector through the charities BHT, Riverside ECHG and Brighton YMCA. There are currently 288 units of accommodation provided in Band 2, of which GLP provides 46, NSM provides 24 and WPP provides 16 beds – a total of 86 beds and approximately 30% of the total Band 2 provision. WPP provides additional beds for Mental Health services outside of the ISP (see 3.5).

3.4 GLP specialises in supporting clients with a forensic history who have been referred via the Probation service. WPP specialises in mental health support for clients referred via Sussex Partnership NHS Foundation Trust (SPFT). NSM specialises in supporting multiple complex needs clients, sometimes requiring additional social care and health support. All services accommodate people with a history of rough sleeping.

Mental Health Pathway:

3.5 WPP provides 25 beds for the Mental Health Supported Accommodation Pathway (MHSAP), totalling 41 beds in this service. The MHSAP was recently reviewed and jointly commissioned through Housing Related Support, Community Care and Clinical Commissioning Group (CCG) budgets. The CCG and SPFT are key stakeholders in any decisions relating to WPP. WPP receives a contribution towards the costs of rental for the 25 mental health pathway beds of £145,000 per annum from the Community Care budget.

Governance:

3.6 Management of in house hostels was formally transferred from Housing to Adult Social Care under a change of Scheme of Delegation at the 16th October 2014 Policy & Resources Committee. The Housing Commissioning Team, which currently commissions hostel provision, was also transferred under the same change. This was due to an increase in the complexity of client needs in the in house hostels and a decision that they would benefit from greater oversight from and integration with Adult Social Care management and professional support.

Increased Complexity of Homeless Clients:

3.7 There are significant challenges associated with providing services to people who have multiple complex needs including people with forensic history (ex offenders), chronic alcohol and / or substance misuse, a history of entrenched rough sleeping and mental ill health. It is widely acknowledged both across the UK and particularly in Brighton and Hove that the needs of homeless clients are increasing, particularly in relation to health (See Appendix 2).

3.8 There is a higher risk of drug related overdose and mortality within this client group compared to the wider population. Workers are trained to assist in prevention and response to this risk, but it is not always possible to eliminate entirely. In the last seven years where unexpected deaths have regrettably occurred, any resulting coroner's inquests have not required the Council to make improvement actions under a Prevention of Future Deaths Report (previously Rule 43) and in some cases the coroner has commended the Council and hostel staff on their preventative and responsive action.

New Steine Mews Better Care Pilot:

3.9 As part of the Better Care programme Homelessness workstream, New Steine Mews hostel has been identified as a pilot site for Personal Health Budgets. This recognises the increased complex physical health needs of this client group. Plans are underway to develop the pilot model with oversight from the Homeless Integrated Health & Care Board. The aim is to improve health and social care outcomes for homeless clients in this service and to learn lessons to inform the wider roll out of an integrated model.

Hostel Premises and Leases:

3.10 West Pier Project operates from two adjoining buildings in Regency Square. All buildings are leased together from a private landlord; the lease expires in May 2015. The current lease was entered into in 2005 and is subject to an annual increase of 7%. The current lease price is £559,500 and will increase to approx. £598,600 during 2015/16 until the lease is ended. The current budget for rental is £491,000 per annum. As the annual rent increase is above the inflation assumption within the budget this has resulted in a pressure this year of £60,000.

3.11 Glenwood Lodge Project operates from four buildings and one flat in Grand Parade, central Brighton. All buildings are leased together from a private landlord. The lease was entered into in 2005 and the current price is £179,800.

The current budget for rental is £144,800 per annum. There is a pressure in 2014/15 of £35,000 to the end of March 2015 on the lease costs.

3.12 The impact of renegotiating leases for WPP/GLP is that preferential rates could be agreed that overall would be cheaper than the current arrangements, particularly in reference to the annual increases for WPP. While signing leases may achieve better rent rates in the short term, flexibility is reduced and the Council would be tied to the terms of any lease and the use of the premises for a further period of five years. There will also be stamp duty to register a lease of this length.

3.13 New Steine Mews is a Council owned building, purpose built in the 1990s to be a flagship hostel service. There is no lease and therefore no rental costs, however the service has not benefitted from a capital or planned improvement programme, meaning the building could benefit from refurbishment or redesign.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 **Do Nothing:** As an alternative to renegotiating longer term leases at WPP and GLP, the Council could choose to do nothing. The landlords may allow the Council to continue using the buildings, which would allow further time for consideration of future delivery options for services and exploration of any opportunities to use a different range of cheaper or better quality premises. While this option maintains flexibility, the current leases set out the rate to be paid if the properties are not handed back; after a certain time the rates escalate and this is likely to be costly and place a significant budget pressure across the hostel services. There is additional risk that landlords may not wish to allow the council's continued use of the buildings. This could lead to the requirement for the Council to give landlords vacant possession of the buildings, close services and / or re-provide them from alternative locations – the options for sourcing alternative accommodation within these timescales are limited.

4.2 **Transfer Services:** There is no requirement for the council to operate its own hostel provision and it might be considered an option to investigate the possibility to transfer provision of all or some of these services to the independent sector through a tender process, as is the case with other hostels commissioned by the local authority. There are no current plans to do this but the option may provide future savings for the authority and could present opportunities to operate the services in different locations or buildings. A full business case would need to be developed in consultation with staff and unions and in accordance with the Councils agreed Change Management procedures. Key stakeholders such as the CCG, SPFT and Public Health would need to be consulted. The better option is to undertake the full review of homelessness services provision in the ISP before making decisions on the future delivery options for in house services.

4.3 **Close Services:** Hostel provision itself is a non-statutory function of the local authority so the council could choose to stop delivering these services. However hostels do provide accommodation for some people to whom who the council may owe a statutory housing duty; therefore hostels support the effective delivery of a separate statutory function. They also provide an essential accommodation route for rough sleepers and other vulnerable people; hostel provision for the city is an essential part of the current Integrated Support Pathway model, supported

by the city's Homelessness Strategy 2014-19. There would be significant crime and disorder implications arising from any decision to reduce hostel provision in the city, including an increase in rough sleeping and associated Anti Social Behaviour. There are implications for members of the public, for tourism and local business with any increase in numbers of people sleeping rough in the city, which would have parallel increases in crime and disorder and antisocial behaviour.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 The CCG and SPFT were consulted on the proposal to extend the leases and indicated support of any option which secures the continuity of care for clients receiving a service through WPP and the sustaining of provision as part of the Mental Health Supported Accommodation Pathway.

5.2 The National Probation Service were consulted in relation to the service at GLP, also indicating that they would advocate any option that maintained continuity of support and the accommodation pathways for their client group.

5.3 Recent consultation with homeless provider services including directly provided hostels was undertaken as part of the Homeless Health Needs Audit 2014 and the Homelessness Overview & Scrutiny Report 2013/14 (See Appendix 1 and 2 - documents in members' rooms).

6. CONCLUSION

6.1 There is no other reasonable option but to enter into leases for WPP and GLP while the wider review of homelessness services is undertaken. This plan is felt to be feasible and practically achievable before the end of the financial year. Operating outside of long term leases would be a significant cost pressure for 2015/16. A full review of in house hostel services will take a significant amount of time and resource and is unlikely to be complete before the leases expire. It is proposed that the focus be on reviewing the ISP model during 2015 to ensure this is fit for purpose and to commission services after this review is completed.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The combined 2014/15 gross budget for the 3 directly run in-house hostels is £2.532m. The service is funded by housing benefits of £1.037m, client contributions of £0.107m, a contribution from Sussex Partnership Foundation NHS Trust of £0.145m, with the remainder of £1.243m funded by the council. There are 111 beds available across all 3 directly run in-house hostels at a budgeted cost of £437 per bed per week.

7.2 The current lease at the West Pier Project has an annual increase of 7%, as identified in the body of the report, which results in an above inflation pressure of approximately £0.060m per annum. The Glenwood Lodge Project also has a pressure on rental costs of approximately £0.035. Steps have been put in place to mitigate these pressures in the current year through management of the staffing, supplies and services budgets.

7.3 The renegotiation of the leases will provide certainty for the service and enable a strategy for managing within the budget until the full services review is completed which is expected to provide improved value for money.

Finance Officer Consulted: Anne Silley Date: 17/11/14

Legal Implications:

7.4 Entering into leases for both WPP and CLP will create an interest in the land in the council's favour. Under the council's constitution, decisions on the acquisition of an interest in land must be referred to Policy & Resources for determination. The Committee is therefore empowered to agree the recommendations at paragraphs 2.2 and 2.3. The Monitoring Officer's involvement in agreeing the terms of the new leases will ensure that the council's interests are properly protected.

Lawyer Consulted: Liz Woodley Date: 05/11/14

Equalities Implications:

7.5 The current in-house hostels have undertaken Equalities Impact Assessments. Any future proposed changes to the services would trigger a review of these.

7.6 People who are homeless or rough sleeping often have multiple complex needs and can suffer multiple exclusions from mainstream services. There is a high prevalence of mental ill health and a national evidence base which demonstrates that people who are homeless generally have more difficulty accessing health and social care services. The life expectancy for someone who is rough sleeping is 47 compared to 77 in the general population.

Sustainability implications:

7.7 Future options for provision of hostel services should consider best use of resources and value for money in operating from the current buildings stock. Large, ageing buildings such as WPP and GLP which have not been purpose built present significant issues in heating, lighting, power and energy conservation. Owing to the layout of the buildings a high number of safety management systems need to be in place in order to operate a safe service, which can be labour intensive for staff.

Any Other Significant Implications:

7.8 Regency Square is a popular residential and tourist area with a central park and a number of boutique hotels. Some residents and businesses feel that the service should not be located in Regency Square and that its presence has a negative impact on the community. WPP has made links with local businesses and residents to improve relationships and address any concerns raised by members of the public regarding any service issues.

7.9 The 2014 Overview & Scrutiny Report on Homelessness made a recommendation that "the council needs to take action to diversify its 'stock' of

hostel accommodation, seeking to spread hostels more evenly across the city, and to offer a range of accommodation options in terms of hostel size and the level of support on offer" (see Appendix 1).

7.10 Over the last four years there has been an unprecedented rise in homelessness, resulting in a greater number of people rough sleeping in Brighton and Hove for longer periods of time before accommodation is available. There is currently a list of approximately 120 people waiting for Band 2 accommodation, of which approximately 60 are street homeless.

7.11 This report further highlights that increasing numbers of homeless people, rough sleepers, hostel residents and people in temporary accommodation have complex and multiple needs, relating to mental health, substance misuse, learning disabilities, physical health and social care needs. People who sleep rough, which may include prison leavers, are vulnerable to violence, abuse and injury while living on the streets and have higher levels of need than the general population in terms of physical health, mental health and substance misuse, and put significant increased pressure on health services, including presentations at A&E.

SUPPORTING DOCUMENTATION

Appendices:
None

Documents in Members' Rooms:
1: Overview & Scrutiny Panel Report 2014 - Homelessness
2: Brighton & Hove Homeless Health Needs Audit 2014

Background Documents:
None

Report of the Homelessness Scrutiny Panel

February 2014

Panel members: Cllrs Andrew Wealls (Chair), Alan Robins and Ollie Sykes

Homelessness is a crisis which can impact people from all backgrounds and walks of life. For some it is temporary; friends and family help out, and they return to life in safe secure accommodation. For those hardest hit, who may also be suffering mental health problems or alcohol or substance misuse, homelessness can be debilitating. And, of course, there is a broad spectrum of challenges in between.

This Scrutiny Report on Homelessness considers all of those who experience homelessness in our city, and reflects the enormous complexity of the issue it tackles. My councillor colleagues, Alan Robins and Ollie Sykes and I were incredibly moved by some of the personal experiences of some of those who contributed, impressed by the dedication and hard work of those who help them and often challenged by the complexity of the issues homelessness presents.

This complexity, particularly when presented most often with co-morbidities, presents the key challenge faced by all of those who support homeless people. It is a familiar problem; how do we improve co-working between the NHS, the Council's many services and departments, landlords (private and local authority), employment services and not-for profit entities and charities? It was clear to the panel that there is much excellent practice in the city, but it would be fair to say there are also opportunities for better working together, and improved, tailored service provision.

The Panel consulted widely across public sector, Council and charity and not-for profit organisations who support homeless people in our city. We would like to thank them not only for their contributions to our research but also for their hard work and dedication to helping people, often in very difficult circumstances.

We also thank all of those who have been directly affected by homelessness who contributed to this report. Without their input it would not have been possible to deliver this work. It is now up to all of us to deliver the recommendations of the report to improve the lives of those who may be some of the most vulnerable people in our city.

Introduction

1 What is homelessness?

Homelessness can be defined in several ways. In its widest sense, being homeless means not having access to safe, secure accommodation. People might be staying temporarily with friends or family, or living in accommodation which is unsafe or from which they will shortly be evicted. The majority of homeless people are able to resolve their housing problems without involving outside agencies, except perhaps for some advice services.

However, many other homeless people require much more support, and it is also possible to speak of homelessness in the narrower sense of those who apply for help and who meet the criteria set out in Homelessness legislation. Local authorities have a statutory responsibility to help these eligible homeless people access secure accommodation.

In a narrower sense still, a relatively small group of homeless people cannot find, or for various reasons decline to accept, shelter, and end up sleeping rough. Even when temporarily housed in a hostel or similar accommodation, people in this group are very vulnerable and are likely to find themselves homeless again in the future. Many of the people in this group have physical or mental health problems or substance misuse issues.

2 Local Authority Duties (Homelessness)

Local authorities have clearly defined duties under homeless legislation. Someone is classified as homeless only when they have satisfied five criteria:

- They are a UK citizen
- They are actually (or will imminently be) homeless
- They are not 'intentionally' homeless (e.g. they have not become homeless due to a deliberate act or omission)
- They have a local connection (e.g. they have lived in the area for six of the past twelve months or three of the past five years, or are working in the area, or have close family living in the area)
- They are in a 'priority need' category (i.e. they have a vulnerability which means that they are in greater need of secure housing than the average person)[1]

People who meet all five of these criteria are eligible for help from their local authority. This may include housing advice, assistance with references or a deposit, the offer of temporary accommodation, or even of a secure tenancy – basically whatever support is required to enable an individual to access safe and secure accommodation. In past years, people accepted as homeless would probably have been offered a secure tenancy in a council-owned

[1] Evidence from Sylvia Peckham, BHCC Head of Temporary Accommodation and Allocations, 25 January 2013: point 3.2.

property; but this is generally no longer the case, and nowadays the offer will typically be of temporary accommodation. The previous model had the perverse effect of encouraging people to become homeless in order to get rapid access to social housing tenancies. It also had the effect of placing relatively large numbers of highly vulnerable people together in housing estates, with a potentially detrimental impact upon the cohesiveness of those communities. Placing vulnerable homeless people in temporary accommodation gives housing services the opportunity to provide the necessary training and support to help them manage future tenancies successfully, hopefully avoiding the situation where people who have become homeless after failing to maintain a tenancy are granted another tenancy which they will then fail to maintain.[2]

3 Other Local Authority Duties

Even when people do not meet all of the statutory homelessness criteria, the local authority may still have a duty to house them under adult social care or children's legislation – e.g. for families with dependant children, or people who have particularly acute vulnerabilities in terms of old age, mental or physical health, substance misuse or learning disabilities.[3] People who have been in care as children, those experiencing domestic violence, former members of the armed services, and people leaving custody may also be deemed to have particular vulnerabilities which mean that there is a duty to house them.

This division is important in terms of two-tier local authorities, where responsibilities for homelessness are split between district councils (housing) and county councils (social care). However, for unitary authorities such as Brighton & Hove the same organisation is responsible for both housing and social care. There are obvious advantages in having one department discharge all these responsibilities – and this is what happens locally, with the city council's housing team commissioning accommodation on behalf of adult social care and children's services as well as for its own clients.[4]

Even where there is no local authority duty to house an individual, councils are not legally barred from offering housing support to those who do not meet the eligibility criteria, and may choose to house some very vulnerable people such as rough sleepers.[5]

4 Rough Sleepers

Anyone who becomes homeless could potentially find themselves sleeping rough, and some rough sleeping services are designed to address this general need. However, a significant proportion of those sleeping rough at any time will be people who have refused to be properly housed, or whose

[2] Evidence from Sylvia Peckham, 25 January 2013: point 3.4.
[3] Nationally, more than 70% of households accepted as statutorily homeless are accepted because they include dependant children/pregnant women. See DCLG Statutory Homelessness Statistics Release 2013 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/205221/Statutory_Homelessness_Q1_2013_and_2012-13.pdf
[4] Evidence from Sylvia Peckham, 25 January 2013: point 3.3.
[5] Evidence from Sylvia Peckham, 25 January 2013: point 3.6.

issues and behaviour make it very difficult to house them securely for any length of time. This group of rough sleepers often have severe mental health problems, learning disabilities, physical disabilities, substance and/or alcohol misuse and dependence issues, a history of anti-social or criminal behaviour, or traumatic personal histories (and often a combination of these issues). Although we are talking about small numbers of people here, their impact is quite disproportionate to their size, and many rough sleepers have very complex needs requiring specialist support.

5 What's the trend?

Homelessness has been a serious local and national problem for many years, with rates of rough sleepers, people accepted as statutorily homeless, people living in temporary accommodation, and people 'sofa-surfing' fluctuating from year to year. However, recent years do seem to have shown consistent increases in several of the measures of homelessness. For example:

- There was a 6% increase in successful homeless applications across England between 2011-12 and 2012-13.[6]
- Between 2012 and 2013 the number of people in temporary accommodation across England also increased by 10%.[7]
- Between 2010 and 2012 rough sleeping rates across England increased by around 30%[8]
- In Sussex between 2011 and 2012 there was a 40% increase in rough sleepers.

There are several reasons to think that homelessness may well increase in the next few years. In the first place, it is widely accepted that homelessness rises in times of economic hardship – people who lose their jobs struggle to pay rent; young people without jobs can't get tenancies; people leave secure accommodation in search of work in less depressed areas. There is obviously a good deal of uncertainty here, both in terms of the speed and the extent of economic recovery locally and nationally (with the potential for internal migration of job-seekers into more economically buoyant areas).

This general pressure can be exacerbated by particular local pressures – obviously by how well the local economy is doing; but also by local house prices (high prices tend to mean higher rents in the private market as a wider range of people are obliged to rent); by supply and demand in the private rented sector (where demand exceeds supply landlords can afford to be more selective in their choice of tenants); by the presence of large numbers of students etc. Clearly all of these pressures apply in Brighton & Hove.

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[6] See DCLG Statutory Homelessness: Statistical Release 2013, p3. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/205221/Statutory_Homelessness_Q1_2013_and_2012-13.pdf

[7] See DCLG Statutory Homelessness: Statistical Release 2013, p8.

[8] See DCLG Rough Sleeping Autumn 2012: Statistical Release, p2. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/73200/Rough_Sleeping_Statistics_England_-_Autumn_2012.pdf

6 Welfare reform

An additional pressure is the ongoing reform of the benefits system which includes significant changes to Housing Benefit (HB), involving reducing the amount that can be claimed and restricting the types of accommodation that some groups of people can claim – e.g. changing the rules so that under 35s can now only claim for the cost of a room in a shared house or making changes to under-occupancy rules in social housing (the so-called 'bedroom tax'). They also include changes to Council Tax benefits; the reassessment of various disability-related benefits, and some other measures.

A major issue is likely to be the move from paying HB to landlords to making direct payments to tenants. This poses particular problems for those clients who struggle to manage their own finances, a group which includes many people in temporary accommodation. It is not currently clear whether people in temporary accommodation will be exempted from direct payments (as those in supported housing have been), but if they are not there may be a large drop in rent collection rates for this type of property – pilot areas have seen collection rates fall from 98% to 60%, which would equate to around £4 million per year across Brighton & Hove.[9]

It is not yet apparent what impact these benefit reforms will have, although it is clearly the Government's intention that they will reduce welfare costs and encourage a more rational use of housing stock rather than increasing the numbers of homeless people. In some instances, welfare reforms have not yet produced the predicted detrimental impact.[10] However, even if there is a limited national impact upon homelessness, there may be a much higher impact in some areas – where, for example, private landlords housing HB claimants may prefer to look to other markets (students/professionals) rather than reducing rents to reflect lower HB payments. Again, given its large student population and high number of professional private renters, Brighton & Hove is as likely as anywhere to experience these pressures.

It is also the case that some areas may act as magnets to homeless people, attracting people from other areas. Again, this is likely to be a particular problem for Brighton & Hove, with its reputation as a diverse, tolerant and fun city.

7 Who is becoming homeless?

Clearly, anyone can become homeless, but services have reported significant increases in two groups of people: people with very low support needs (e.g. people who are work-ready or actually in work but who cannot access secure housing because they don't have money for deposits or can't provide references etc), and also people with very complex needs. The first group is relatively easy to support via help with deposits etc. as long as they are swiftly identified.[11] Supporting the second group is much more challenging.

[9] Evidence from Sylvia Peckham, 25 January 2013: point 3.15.
[10] Evidence from Sylvia Peckham, 25 January 2013: point 3.16.
[11] Evidence from Bec Davison, CRI, 07.02.13: 8.2.

There are particular problems with young people – given the very high levels of youth unemployment it can be very difficult for young people to get private tenancies without deposits, references or a steady wage.

8 Social Capital

There are various definitions of social capital, but in essence it represents the informal support networks that individuals have which allow them to cope with crises. In terms of homelessness, your social capital is what keeps you off the streets if you find yourself without a home, whether it's family members lending you the money for a deposit or friends letting you sleep on their sofa.

Social capital is crucial in keeping the numbers of homeless people who seek statutory support at a manageable level. However, there are a number of factors that can impact upon social capital. These include recessionary pressures – people who are themselves struggling to make ends meet are less likely to be able to help others out, so the more general an economic downturn the more it is likely to reduce social capital. Similarly, the length of a downturn is important as a willingness to help people temporarily will not necessarily translate into long term support.

Other factors may include how settled and 'local' a population is – areas where lots of people are non-local are likely to have lower social capital than areas in which most of the residents are locals.

Another factor may be the availability of spare living space – in areas where housing is relatively cheap, lots of people may have spare rooms, meaning that they may be able to offer friends a temporary place to stay. In areas where it is expensive, spare rooms are an unaffordable luxury for most people.

It does seem as if there may have been a recent reduction in the availability of social capital in Brighton & Hove, and this may make itself felt in increasing numbers of homeless people seeking support. Bec Davison of CRI told the panel that it had been calculated that in recent years it had typically taken someone who found themselves homeless seven years to exhaust their social capital and become a rough sleeper, but that this was currently taking more like a year – it is unclear why the situation has changed so much recently. This is a national trend, but as noted above it may be a particularly serious issue locally. Ms Davison recommended that more work be done locally to investigate this phenomenon and to plot what might be done to increase social capital.[12]

9 Services

The range of services offered to homeless people is very wide. It includes Housing advice and assessment; council-commissioned temporary (B&B) and emergency (hostel) accommodation; a range of council-commissioned support and outreach services delivered by community sector organisations;

[12] Evidence from Bec Davison, CRI, 07.02.13: 8.3.

mental health, substance misuse and learning disability services; general healthcare; police and probation services; community safety, and benefits advice. As well as services commissioned or provided by the statutory agencies, there are a wide range of voluntary and community sector-funded and provided services available across the city. Some of these services may be dovetailed with statutory support, but others are not, and some voluntary sector services might seem to work against the thrust of statutory sector strategies (supporting homeless people with no local connection to stay in Brighton & Hove, when statutory services will be trying to relocate them, for example). In consequence, the map of homeless services is complex, and is something that, to some extent, has grown organically rather than as the result of strategic planning.

10 BHCC Services

The city council runs a range of homelessness services. The Housing Options team offers advice on finding a home and also processes homelessness claims. For people deemed officially homeless, or homeless and awaiting assessment, there are two basic types of accommodation: B&B or temporary housing and hostel or emergency housing. Some of this accommodation is directly owned and managed by the council, but most is contracted from a range of providers. In theory homeless people will be offered the most appropriate type of accommodation, with those with relatively low support needs going into B&H and those with higher support needs (e.g. many rough sleepers) into the hostels system. However, this does not always quite work this way in practice, as sometimes one type of accommodation may be full or for some reason unsuitable for a particular client.

In many instances the council will seek to support people in accessing private-rented accommodation rather than providing them with council accommodation – e.g. by helping them with deposit or references or putting them in touch with landlords willing to house a wide range of people.

The council also commissions a range of outreach and support services for rough sleepers, largely from CRI, a national voluntary sector organisation, and from Brighton Housing Trust (BHT).

The council also provides or commissions other services such as extreme weather shelters for rough sleepers[13].

Councils have a variety of responsibilities for adults who have particular vulnerabilities, such as significant mental health, learning disability or physical health problems, and these responsibilities apply whether someone is securely housed or homeless.

[13] Evidence from Jenny Knight, BHCC Commissioning Officer for Rough Sleepers: 25.01.13, point 3.7.

Recommendations

Health

It is difficult to estimate the health impact of being insecurely housed or of 'sofa surfing' – in large part because we have no ready way of identifying the 'hidden homeless' who do not seek help from services. It seems likely however that this group of people is particularly vulnerable in terms of emotional wellbeing and mental health: being homeless is hardly conducive to happiness. There may well be other health impacts also – of living in damp or unsanitary housing, of having limited facilities for preparing fresh meals and so on.

We know much more about rough sleeping and health, which is reported as part of our local Joint Strategic Needs Assessment (JSNA). Rough sleepers typically have much higher than average health needs, particularly in terms of mental health, drug & alcohol dependency, physical trauma (especially foot trauma), skin problems, respiratory illnesses and infections.

Brighton Homeless Healthcare (Morley Street GP practice) provides a specialist primary (GP) care service to homeless people in the city. In terms of the practice population:

- Life expectancy is 70.3 years (the city average is 81.7)
- Mortality rates from coronary heart disease are *twelve* times greater than for the GP practice with the second highest rate
- A&E attendance rates are five times higher than the local average
- Emergency hospital admissions are four times higher than the local average
- Planned in-patient hospital admissions are a third lower than the local average
- Hospital re-admission rates are twice the local average[14]

Health, other than mental health, is not an area that the panel investigated in any depth. However, support officers to the panel were given the opportunity to attend a conference organised by SHORE (Sussex Homeless Outreach, Reconnection & Engagement), where together with Public Health colleagues they presented a workshop on homelessness and health needs to a range of homelessness professionals from across Sussex.

Several themes emerged from this workshop and from more general conversations with public health experts. These include:

[14] See Brighton & Hove Joint Strategic Needs Assessment Summary 2012: Rough Sleeping.

Identifying rough sleeper health needs. Rough sleeper numbers are relatively small, even in somewhere like Brighton & Hove. This can mean that the health needs of this group can easily get overlooked, with the focus of attention being big, population-wide issues such as smoking or obesity or on high prevalence/high impact conditions like cancer and dementia. However, the health needs of rough sleepers are so extreme that they can have a really disproportionate impact on services – e.g. in terms of requiring emergency admissions – and on health inequalities across the population. There is therefore a case, both in financial and in equalities terms, for services to think much more carefully about the needs of rough sleepers than their numbers alone might seem to justify.

Outreach services for rough sleepers. Rough sleepers typically live very chaotic lives and may struggle to make or keep appointments etc. This presents an obvious problem in terms of accessing health services, where patients are generally required to make an appointment days or weeks in advance or at the very least to spend several hours waiting in A&E or at a GP walk-in service. For many rough sleepers this simply isn't going to happen, meaning that they will only come into contact with health services when they have a crisis requiring emergency admission. Such admissions are very expensive, with outcomes much worse than for people whose conditions are properly supported via primary, community and secondary healthcare. What is required, therefore, is a range of 'outreach' services that meet the needs of rough sleepers, rather than expecting rough sleepers to negotiate the normal NHS access pathways.

In fact, there is a good deal being done already in Brighton & Hove in terms of homeless health. Homelessness is already needs assessed, and there is a dedicated homeless needs section in the city Joint Strategic Needs Assessment (JSNA). There is also a dedicated primary care service for homeless people run from the Morley Street surgery. Recent initiatives by Housing have included outreach work, with clinicians going into hostels and assessing and treating problems in situ. The city public health team is also fully involved in strategic housing partnerships.

Brighton Housing Trust also told the panel about a project they have been involved with, providing a 'Hostels Alcohol Nurse' who works intensively with the most alcohol dependant hostel residents in the city (particularly those who are currently not accessing medical treatment). This project has been very successful to date, with significant reductions in emergency call-outs, presentation at A&E, and hospital admissions saving an estimated £240,000 over 12 months.[15]

Another recent initiative is the Hostels Hospital Discharge Project. This is a partnership project between BHT, CRI, Riverside ECHG and Sussex Community NHS Trust. The project will target hostel residents who have

[15] More information on this initiative is included in **Section 2** of this report.

recently been discharged from hospital, seeking to provide high quality support which will reduce re-admission rates.[16]

In addition the Brighton & Hove Health & Wellbeing Board (HWB) recently agreed that the coming year's JSNA programme of specialist needs assessments should include additional work on homelessness – using the Homeless Link Health Needs Audit toolkit to better identify health needs across the local homeless community.

The HWB also recently agreed to establish a city multi-agency Programme Board to drive better integration of health and social care services for vulnerable 'homeless' people – a group including rough sleepers, but also people sofa-surfing or living in temporary accommodation, hostels, squats etc.

It is clear from the work mentioned above that the health and care needs of 'homeless' people are increasingly being recognised as an issue across services, and that active steps are being taken to accurately assess the scale of the problem and to develop effective joint working approaches. This is to be warmly welcomed.

The panel also welcomes the fact that the HWB has taken ownership of the issue of homeless health by establishing a Programme Board. We trust that the Programme Board will report regularly to the HWB.

RECOMMENDATION 1 Given the significance of homeless people in terms of city health inequalities, we welcome the fact that the Health & Wellbeing Board is taking an active interest in the health and social care needs of this group. We are very interested in the progression of this work, and request that the HWB's plans for homeless healthcare be presented to the HWOSC for comment within the next 12 months.

Targeted Support

Many homeless people have relatively few additional support needs. However, some people have very complex needs, including severe mental illness, learning disability, physical disability, problems with drugs & alcohol, a history of offending, traumatic personal histories, and so on. Often, the most complex clients may have a combination of these and other problems.

This relatively small group of people with very complex needs makes up a significant part of our local population of rough sleepers. This is unsurprising, as all of the above problems are potential risk factors in being unable to keep up a tenancy. Not only are people with complex needs much more at risk of becoming homeless than the general population, but they are typically much harder to help. Even if people engage with services it can be very difficult to support them properly – as they can be very challenging and may not be able to cope with the rules of support services, hostels etc.

[16] Information provided by BHT, Nikki Homewood and Andy Winter, informal meeting Jan 14.

In addition, people with complex needs are likely to need support from a number of services – housing obviously, but potentially also social care, NHS mental and physical health services, the police, probation and so on. There are obvious risks involved in having a number of agencies provide support to an individual, particularly in terms of duplication or of clients falling 'through the gaps'. This is particularly so since people with the most complex needs are unlikely to cope well with complexity – having to deal with a number of agencies can be confusing and may worsen rather than help some conditions.

Traditional means of supporting people with very complex needs have also been found to be too focused on the short-term – providing support for the here and now which may provide some topical assistance, but which does little to change people's behaviour significantly, and therefore little that is likely to reduce support needs going forward.

Where people with complex needs have to negotiate set support and care pathways there can be problems too. Rigid pathways for specific issues are unlikely to be suitable for people with cross-cutting needs; but if the only way to access appropriate levels of support is to follow a particular pathway, then people may end up going around in circles.

For example, Ellie Reed, a Complex Needs Social Worker with CRI, told the panel about a client of hers who has been evicted from city hostels more than 30 times. It was clear, and had been for a considerable time, that this client could not cope with a hostel environment – the rules, the business and noise and the presence of active drugs users were all factors making effective support via a hostel placement a practical impossibility. What was needed for this client was private, self-contained accommodation, where, with lots of appropriate support, there was at least a chance that he could settle.[17]

However, the pathway for homeless people requires users to cope successfully with living in Band 2 (hostel) accommodation before 'stepping-down' to Band 3 independent supported living. In general this pathway makes perfect sense – someone who has shown that they can cope with the rules-based approach of hostel living may well be more likely to succeed in an independent environment than someone who has gone straight from rough sleeping to independent living. But for certain people, the pathway through hostels is never going to be appropriate.

Following a long process of negotiation CRI have been able to circumvent the pathway in this instance and have placed their client directly into a 'training flat' normally used to support Band 2 to Band 3 transfers. This is a welcome outcome, but with a less rigid pathway this might have been achieved much more easily and at a point prior to many of the person's 30 plus evictions, avoiding a lot of stress to the user and saving services a very significant amount of money – because although the current arrangements require a high degree of support, this is likely to be insignificant compared to the costs

[17] Evidence from Ellie Reed, CRI, 07.02.13: point 8.6.

of repeatedly evicting someone, supporting them as a rough sleeper, finding them new hostel accommodation and so on.

There is a general point here as well as a specific one about over-rigid pathways: a great deal of money is spent 'supporting' people with complex needs through crises. This can include eviction and re-housing, but also in-patient admissions to hospital, anti-social behaviour of many kinds, and even prison. Given the extraordinary level of costs associated with some of these issues, it would seem to make obvious sense to target preventative support at those people most likely to cost the system large amounts in the long term. It is clearly also the case that, once people become habitual offenders, or rough sleepers etc. it is much more difficult and much more expensive to change their behaviour than if the intervention came at an earlier point.

Of course, services do work together to try to provide holistic support for their clients, and there are really good examples of innovative co-working. However, within traditional organisational restrictions there is only so much that can be done.

There is an interesting model for a more integrated way of working to support the most vulnerable currently being trialled. In recent years, some very vulnerable families across the city have been receiving targeted support – initially as part of the 'Troubled Families' initiative, latterly as part of an expanded nationally-driven programme, locally known as 'Stronger Families, Stronger Communities'. This initiative sees several hundred of the most vulnerable local households receiving targeted support and intervention from a multi-disciplinary team. Each family works with a single 'coach' who helps them manage their interactions with different support services, and ensures that support is appropriate to the client's needs, that it works towards achieving clear outcomes, and that the demands placed upon clients are realistic.

In combination with a better integration and focusing of existing support channels, the initiative also provides additional support, particularly in the form of general help with living: paying bills, making benefits claims, keeping the home clean, keeping appointments etc. The additional expense of this type of targeted help is recouped down the line, as effectively supported clients are less likely to make much more expensive demands on services at a later date – e.g. a family that pays the rent or claims the appropriate level of Housing Benefit will avoid rent arrears and therefore avoid the cost of debt collection or eviction. Since some of these long term costs are very expensive indeed, and since the households being supported are very likely to end up in serious trouble without early support, the cost of this additional support is likely to be considerably less than the cost of no additional support. And clearly, what is true in terms of funding is likely to be true in terms of the welfare of the people involved also.[18]

[18] However, the notion that front-loaded investment in services will deliver a down-line savings has relatively little really high-quality evidence-base. Bec Davison of CRI suggested that it would be worthwhile to do some detailed mapping of the costs and benefits of this type of

The cost-benefit analysis of this type of intervention is clearest when the people being supported have problems which a) are very likely to escalate if not effectively treated, and b) are likely to cost a great deal to treat in the longer term. Whilst there are arguments for providing additional support to very broad populations, the cost benefit is less obvious here, as many of the people receiving additional support may not have developed bigger problems down the line. If there is a financial argument for targeted support therefore, it is likely to be strongest for clients with the most complex needs.

The panel believes that there are real opportunities in using the Stronger Families, Stronger Communities model of front-loaded, integrated support to target those rough sleepers with the most complex needs who are currently not well served by the existing homelessness and allied pathways. (To be clear the panel is not proposing that the Stronger Families programme be expanded to include vulnerable homeless people; merely that homeless people are supported via an integrated programme of practical support with a significant focus on making financial savings as well as improving the lives of services users – and Stronger Families is an obvious model of this type of scheme.)

In the first place, we propose that a cost-benefit analysis is undertaken, identifying the costs of providing additional targeted support to those rough sleepers with the most complex needs versus the likely future costs of continuing with current support methods. Such an analysis needs to reach beyond the local authority to include other services directly impacted by rough sleeping. This will potentially include the NHS, both in terms of mental health services, where there is a laudable recent history of successful integration and cost-sharing, but also in terms of physical health – rough sleepers are many times more likely to present for A&E treatment and to require unplanned hospital admissions than the general population, so there is a potential benefit to NHS acute providers and the commissioners of unplanned/emergency care here.[19] It may also include the police and fire services, probation and potentially the prison system – the costs of imprisoning people are very high and there is a strong correlation between rough sleeping and incarceration. Community and voluntary sector organisations in the city must also be involved in this calculation.

In some instances it may be the case that, even if it is possible to show that targeted support would result in a longer term saving, it is not feasible to persuade national agencies etc. to contribute to local initiatives. It would be very useful to have an idea of the absolute savings that could potentially be achieved across the board even if some of these savings cannot readily be realised, not least so as to be able to plan for lobbying of national agencies.

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model against the costs/benefits of the models currently in place. Evidence from Bec Davison, 07.02.13: point 8.10.

[19] As noted elsewhere in the report, there are current initiatives providing support for hostel residents with alcohol problems and for those recently discharged from hospital which might provide a useful source of data.

However, in the short term, the focus should be on those organisations where there is a realistic chance of partnership working and cost sharing.

One of the biggest difficulties encountered in supporting homeless people with very complex needs can be that this group is very likely to be wary of authority – for obvious reasons with individuals who feel they have been failed by services in the past or for people who have been in and out of prison. This issue is becoming better recognised, with one obvious solution being to increasingly rely on trusted, expert community sector organisations to do much of the direct interfacing with clients. In the type of targeted support approach outlined above, an absolutely key element is that of the 'care coordinator' who forms a relationship with and acts on behalf of the client. It may well be that this is a role that is be best carried out by non-statutory sector organisations, although equally there may be instances (e.g. where someone has a very complicated mental health problem) when it is better to have that role filled by a suitably qualified professional from a statutory agency.[20]

The panel were very interested to hear about the Big Lottery Bid application: this multi-partner application seeks funding to deliver more holistic services to homeless people with complex needs. Panel members were delighted to hear that the application was approved just before Christmas 2013.

This project is to be commended, but we need to go further: not just seeking external funding to deliver better targeted services to clients with complex needs, but actively reconsidering how the council and its key city partners use existing homelessness funding. There seems to be real potential to use resources more wisely: front-loading support for some clients may save money in the longer term as well as giving homeless people the best possible chance of getting some stability into their lives. In consequence, we hope that the Big Lottery work is viewed as a springboard to more intelligent co-working rather than as an end in itself.

It has also recently been announced that the council will establish a multi-agency board to oversee services focused on homeless people and community safety. This initiative is very much to be welcomed and it is heartening to see that city agencies are beginning to make real practical moves towards proper integration of services.

If this report had been written a few years ago, the panel might well have been calling for more integration of services across a landscape where different agencies worked largely within their own silos, even though many homeless professionals recognised and were lobbying for greater integration. At the present time, however, it is clear that much has changed, and that agencies have taken significant practical steps towards better integration.

This is good news for vulnerable homeless people and for the city as a whole. However, we are still a long way from truly integrated services, and there is a

[20] Evidence from Bec Davison, CRI, 07.02.13: point 8.5.

real danger that some of the current initiatives will fizzle out without having really advanced things, particularly in instances where a project is dependent upon lottery or other uncertain external funding. (In this context it is good to hear that partners are committed to continuing the project to provide integrated health and social care to vulnerable homeless people despite failing to win Department of Health Pioneer funding for the scheme.)

There is also a risk that we end up with a number of schemes to better integrate services for homeless and insecurely housed people, but that there is little or no effective integration of the schemes at a strategic planning level. While the various initiatives would still be valuable in themselves this would seem to risk missing some obvious opportunities. However, it also needs to be recognised that services are complex and that there may therefore be very good reasons for approaching better integration of, say, healthcare separately from community safety services.

In order to ameliorate these risks the panel proposes that the city council nominates a senior officer to act as a champion for homelessness service integration.

- The homelessness integration champion should have a brief to encourage the better integration of services across the city, in terms of both statutory agencies and other sectors.

- The homelessness integration champion should submit a report to both Housing Committee and the Overview & Scrutiny Committee (within 12 months of these panel recommendations being agreed by the relevant council decision-making committee). The report should detail the practical steps taken towards better integration over the past 12 months by the various schemes in operation, as well as plans for further development across the next year.

- The homeless integration champion will also be responsible for ensuring that the various projects for better integration of homelessness services are kept aware of each other's work programmes and work jointly when it is advantageous to do so.

- The homelessness integration champion will be responsible for collating information on the cost savings (or otherwise) achieved by better integration of services, both to include in the report to Housing Committee/OSC, and in terms potentially of establishing a more general business case for the value of service integration.

RECOMMENDATION 2 A senior BHCC officer should be appointed as 'homelessness services integration champion' across statutory services and other sectors.

Hostels

Traditionally, in Brighton & Hove and elsewhere, most single homeless people eligible for local housing support would be offered a place in a hostel. Hostels typically house a number of people in individual bedrooms, but with other areas communal. Hostels provide various levels of support, depending on the types of clients housed there. They are intended to be a relatively short term resource, with residents moving on to independent living or to lower support housing. However, progress on this pathway will depend on a client's ability to live independently: whilst some hostel residents are perfectly capable of managing a tenancy, others, particularly those from rough sleeping backgrounds are not, and require intensive support to develop these skills.

There is little doubt that hostels can be a very useful housing resource: for instance, it is generally more straightforward and more cost-effective to provide support to a number of people living together than to smaller groups or individuals. Nikki Homewood of BHT told the panel that city hostels could be extremely effective, delivering really good outcomes in terms of supporting people to move on to independent living. Hostels are not just shelters, but places from which a wide range of support services can potentially be delivered efficiently.[21]

However, there are also some quite significant problems associated with hostels. Firstly, the hostel environment may simply be unsuitable for some clients. This may include people on the autistic spectrum for whom group living can be very challenging. For others, particularly for those trying to recover from drug or alcohol misuse, hostels are a difficult environment because some residents may be using such substances. Other people may simply be unable to obey the rule-based system that hostels need to employ to deal safely with high-needs residents.[22] It seems perverse to attempt to house people genuinely unable to cope with group accommodation in an environment that may serve to exacerbate rather than reduce their support needs.

Secondly, the fact that hostels bring together a number of people who may tend to have problems with offending, anti-social behaviour, mental health problems and drug or alcohol misuse can create significant problems for local communities. It is evident that the size of hostels is a factor here: the more people with high support needs who are housed together, the more likely it is that they will interact badly.[23] Although a good deal can be done to reduce the impact of anti-social behaviour associated with hostels, particularly in terms of the support provided to hostel residents, the presence of hostels in residential areas remains problematic.

Thirdly is the issue of location. For historical reasons our hostels tend either to be located in central Brighton near the seafront, or close to London Road or St James Street. This concentration of accommodation means that there is a

[21] Evidence from Nikki Homewood, BHT, informal meeting Jan 14.
[22] Evidence from Narinder Sundar, Commissioning Manager, BHCC Housing, 07.02.13: point 8.6.
[23] Evidence from Sylvia Peckham, 25.01.13: point 3.10.

disproportionate impact on some communities. It is also unfortunate that so many of our hostels are close to areas associated with anti-social behaviour, drug-dealing and street drinking.[24] For people who are trying to be abstinent such environments pose obvious challenges. (It's evidently not just coincidence that the areas with most hostels are the places where there are problems with street-drinking etc – part of the problem is the behaviour of some hostel residents. However it's also clear that somewhere like Brighton sea-front is going to be a hot spot for substance misuse and anti-social behaviour whether or not hostels are clustered there.)[25]

The panel heard from housing officers that a pilot initiative had seen a small hostel opened at a location a little out of the city centre, and that results had so far been positive, with a reduced level of drink and drugs-related anti-social behaviour from residents, and relatively few problems caused for the local community.[26] However, it should be noted that this hostel houses people with relatively low support needs.[27]

It does seem as if there is some potential to make hostel provision more diffuse, with less reliance upon large central Brighton hostels in favour of smaller units in slightly less central areas. If effective, this would help to reduce anti-social behaviour from hostel residents and reduce the impact upon local communities, particularly those in city centre wards.

RECOMMENDATION 3 the council needs to take action to diversify its 'stock' of hostel accommodation, seeking to spread hostels more evenly across the city, and to offer a range of accommodation options in terms of hostel size and the level of support on offer.

This still leaves the problem of people for whom hostel accommodation is never going to be a feasible option. At the moment there is no realistic alternative for these clients. This seems unacceptable, since people with the type of complex needs that make it impossible to effectively place them in hostels are not going to magically find a housing solution without intensive support. Instead they are likely to end up in a 'revolving door' – rough sleeping until they are placed in a hostel, evicted from the hostel and then rough sleeping again until they are placed in another hostel. This is clearly a poor way to support highly vulnerable people and a potential waste of money.

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[24] Evidence from Sylvia Peckham, BHCC Head of Temporary Accommodation and Allocations, 25 January 2013: point 3.11.

[25] BHT told the panel that a recent local count of street drinkers run by Equinox had shown that, perhaps contrary to received opinion, the majority of persistent street drinkers are not hostel residents, and that a relatively small percentage of city hostel residents are in fact street drinkers. Of 93 people identified as street drinkers, 35 were hostel residents. Of the 35 people identified as high profile regular street drinkers, 16 were hostel residents. This is under 6% of the city's hostel population (288). This suggests that hostels work effectively to minimise the problematic street presence of their residents (evidence provided by BHT: included in **Section 2** to this report).

[26] Evidence from Sylvia Peckham, BHCC Head of Temporary Accommodation and Allocations, 25 January 2013: point 3.11.

[27] Evidence from BHT: informal meeting Jan 14.

Some witnesses to the panel suggested that we should move away from the hostel model entirely, seeking instead to focus on much smaller units, or on housing people individually with support.[28] In the short term it seems highly unlikely that we would or could abandon the hostel model, but it is important there should be alternatives for those clients for whom hostels are an ineffective housing option. This should include smaller scale supported housing as well as supported independent housing. Although this type of supported housing may seem considerably more expensive than accommodating someone in a hostel, it is unlikely to be more expensive than *failing* to accommodate someone in a hostel.[29] This is an option that has been successfully explored by local authorities in Westminster and Oxford,[30] although housing officers did point out that, whilst offering alternatives to hostel accommodation may initially appear an attractive option, it does depend on there being appropriate housing stock available, which may pose a problem locally given the high demand for social housing.[31]

RECOMMENDATION 4 we need a more diverse range of supported accommodation available to house single homeless people, particularly those with very complex needs. Whilst this is clearly not going to happen overnight, we would welcome a commitment to move to a model of greater diversity coupled with at least some practical action in the short term.

Service Mapping and Member Engagement

Everyone knows that homelessness is a major issue in Brighton & Hove. However, beyond this general perception of there being a problem, there is relatively little detailed public understanding of homelessness as an issue. Indeed, the panel members were struck by how little *they* actually knew about homelessness services, and just how wide-ranging services actually are. As part of the scrutiny review process, members talked widely to officers in the council's housing service and other homelessness support providers. They also visited several services for homeless people, including hostels, drop-in centres and B&B accommodation, talking with staff and service-users.[32]

It quickly became apparent that services for homelessness are a complex mosaic, involving at least two council housing teams, NHS commissioners and providers, Community Safety, Public Health, the police and probation services, and a wide range of community and voluntary sector providers – some commissioned by the city council or the NHS, others independently funded and operating to their own agenda.

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[28] Evidence from Bec Davison, CRI, 07.02.13: point 8.7, and from Ellie Reed and Sarah Gorton: point 8.15.
[29] Evidence from Bec Davison, CRI, 07.02.13: point 8.7.
[30] Evidence from Sarah Gorton, Homeless Link, 07.02.13: point 8.7.
[31] Evidence from Narinder Sundar, 07.02.13: point 8.8.
[32] Panel members visited First Base Day Centre, Phase 1 Hostel, New Steine Mews Hostel, Glenwood Lodge Hostel and the West Pier Project. Members also took part in the annual rough sleeper street count and attended a service-user event where they interacted with Business Action on Homelessness. As part of the panel process, support officers met with BHT and co-ran a workshop session at the SHORE conference.

Complexity is not necessarily a bad thing. In some instances very complex service arrangements may work superbly well. It may also be that there is an irreducible complexity inherent in homelessness services – because the problems cut across so many services and concern so large a number of partners, and because there is so much long-standing public and charitable concern around homelessness. It may well be that there is very limited potential in terms of further integrating or streamlining this map, and indeed there may be major benefits from having multiple approaches and solutions to the problem of homelessness.

However, whilst the local map of homelessness services is doubtless fully understood by the relevant housing professionals, and makes perfect sense to those whose core job is homelessness, from the point of view of potential service users, or even of people working in the police or the NHS, the complexity threatens to be bewildering.[33] If the people who need to use a service are unclear as to what services are actually available and how to access them, they are unlikely to have a positive experience.

Whatever the actual organisational and partnership complexity of homelessness services therefore, there is a clear need for a readily comprehensible map of services – something that offers a simple picture of the services on offer across the city.

RECOMMENDATION 5 the council needs to produce a clear map of statutory and non-statutory homelessness services across the city and make it available via the its website.

In a similar vein, the Council's elected members have ultimate decision-making powers in relation to homelessness services (at least in terms of services commissioned or provided by the city council), but members' understanding of homelessness as an issue and of the types of services on offer is often very limited (excepting of course Housing Committee members). The panel members were very impressed by the services they visited or were told about, and by the obvious competence and dedication of the people working in them. We think that there would be value in the housing team doing more with elected members, both in terms of homelessness as a strategic concern and in terms of the practical services on offer and how they can be a resource to ward Councillors. Improving the information available to elected members is likely to lead to a better understanding of the importance of homelessness services. This is particularly important as homelessness cuts across services, meaning that decision-makers in areas other than housing would benefit from greater knowledge of the issue.

This was reinforced by evidence from Sarah Gorton, the South East Regional Manager for Homeless Link, a national membership organisation for organisations working in the field of homelessness. Ms Gorton highlighted the

[33] Evidence from John Child, Deputy Service Director, Sussex Partnership NHS Foundation Trust, 07.02.03, point 8.19.

importance of involving elected members in homelessness services, and commented:

"It was really good to see members from all parties interested enough to come on the rough sleeper count and impressive to attend the scrutiny panel meeting and witness the genuine desire from Councillors to engage in the issues and to think about what needs to change."[34]

Other witnesses, including Central Sussex YMCA, reiterated the importance of elected member involvement in homelessness issues.[35]

As Brighton & Hove City Council operates a committee system, we already have a relatively high degree of cross-party member involvement in homelessness issues via the BHCC Housing Committee. There is also direct elected member involvement in the local Strategic Housing Partnership. In addition the city Health & Wellbeing Board will be involved in monitoring the soon to be established Programme Board for integrated homeless health and social care.

There is therefore already a good base of relatively expert members to build on. This should be reinforced via the member training programme. The panel is pleased to note that the member seminar programme already includes training on homelessness issues, and trusts that there will be further training scheduled.

Pathways

Service pathways set out how service-users access and progress through a system and are an important tool for professionals. Homelessness pathways need to be simple enough for service users and non-housing professionals to understand and they need to be flexible enough to avoid bottlenecks and perverse outcomes. It is not necessarily an easy task to devise a pathway through services that is easily understood and appropriately flexible, and even the most robustly designed pathways need periodic tweaks.

The panel heard evidence that aspects of homelessness pathways were not working as well as they should. For instance, CRI told us that homeless pathways demand that homeless people accessing band 3 unsupported accommodation must first have progresses through band 2 supported accommodation (i.e. hostels). For most clients this may make perfect sense, as people who have successfully lived in group accommodation are well placed to take on the additional responsibilities associated with independent living – many rough sleepers would not cope well if immediately moved into unsupported accommodation. However, for a small group of people with complex needs, progress through band 2 is much more problematic, and a better alternative might be to house them directly in band 3 housing with appropriate levels of support.[36] In this particular instance it seems likely that a

[34] Email from Sarah Gorton, SE Regional Manager, Homeless Link
[35] Evidence from Central Sussex YMCA, 19.02.13: point 13.35.
[36] Evidence from Ellie Reed, CRI, 07.02.13: point 8.6.

generally sensible policy has had perverse consequences, and some relaxation of the pathway rules would be desirable.

Other witnesses suggested that the homeless pathways be amended to provide more robust learning and work support[37], or that a dedicated young people homeless pathway be established.[38] The panel is pleased to note that the city council is actively seeking to develop a young person housing pathway.[39]

RECOMMENDATION 6 – homeless pathways should be revised to allow clients to progress directly into band 3 support when it is clear that there is no realistic possibility of them progressing successfully through band 2 support.

Setting local levels of support

Homeless is not a localised issue. Whilst the majority of homeless people in an area are likely to be from that area, by no means every homeless person will be. Some destinations are inherently more appealing than others for rough sleepers. Factors which make a particular area attractive include: climate, levels of street violence, the presence of an established rough sleeping 'community', access to drugs, the availability of non-statutory support (food, sleeping bags etc), and the relative generosity of statutory sector support.

A number of these factors apply to Brighton & Hove and it is therefore no surprise that the city has to deal with a disproportionate number of rough sleepers. Of course, there's not much we can do about the weather, and some of the things that make Brighton & Hove attractive to rough sleepers are also the things that make the city attractive to tourists or businesses, so we'd be unlikely to want to change them even if we could.

However, there is more opportunity to influence some of these factors, most obviously in terms of statutory services. Every upper-tier local authority is required to provide a legal minimum level of homelessness services, but providing additional levels of service is optional. In practice this can mean that neighbouring authorities may offer significantly different levels of service, and if this is the case there is an obvious danger that homeless people will migrate from areas of low to areas of higher support, increasing pressure on those areas that have already done the most to address homelessness problems.

One solution to this issue would be to recommend that local support was provided at the legal minimum level. However, there are a couple of potential problems here. Firstly, there is an ethical dimension to be considered with regard to any decision about providing services to vulnerable people: we may not feel that the legal minimum is sufficient. Secondly, not all rough sleepers will necessarily go elsewhere if support services are cut. It is likely that we

[37] Evidence from Rob Liddiard, Friends First, 19.02.13: point 13.35.
[38] Evidence from Stuart Kitchenside, Sanctuary, 19.02.13: point 13.35.
[39] BHCC Draft Joint Commissioning Strategy: Housing & Support for Young People aged 16-25 (presented at BHCC Children & Young People Committee 14.10.13).

would continue to have significant numbers of people sleeping rough in the city irrespective of the level of support offered. But without support it is also likely that these remaining rough sleepers would be at greater risk and present greater risks to the local community. There is therefore a pragmatic balance to be struck in terms of setting a level of support that does not needlessly attract out-of-area rough sleepers, but which ensures that the impact of those rough sleepers who are bound to remain is minimised.

Whilst it may never be possible to guarantee that a local area's approach to homelessness will exactly tally with those of its neighbours, it is obvious that all practical steps should be taken to synchronise approaches in order to minimise the migration of homeless people from one area to another. The panel heard evidence from John Routledge of SHORE (Sussex Homeless Outreach, Reconnection and Engagement). SHORE seeks to bring statutory and non-statutory providers of homelessness services across Sussex together to share best practice and plan more effectively.[40] We are pleased to note that the council's housing service is actively engaged with the SHORE initiative: it clearly makes sense to share as much information and expertise as possible with our neighbours, even if we may have differing views on how to deal with homelessness.

In very practical terms, it is difficult to not provide some sort of support to homeless people living locally even if they have no local connection. In theory such people should return to wherever they do have a local connection and receive support there. However, recent years have seen many local authorities becoming more reluctant to accept their duty to house such people, and Brighton & Hove will not relocate homeless people unless there is appropriate support in place for them, so in practice we do provide services to a number of people who have no local connection.[41]

It seems to us that there is really good work already going on across local authority boundaries here, and we therefore have no specific recommendation to make.

Domestic Violence

There are many reasons for people becoming homeless, and although all homeless people are potentially vulnerable, some are especially so. People fleeing their homes because of domestic violence are obviously homeless. However, in order to be eligible for local authority help under housing legislation, applicants have to meet five criteria, including whether they are 'intentionally homeless' and whether they have a 'local connection'. Both of these can cause problems for people who have experienced domestic violence.

In terms of 'intentionality', people who simply abandon a tenancy for no good reason are likely to be deemed 'intentionally homeless' and therefore

[40] See evidence from John Routledge, SHORE, 07.02.13: point 8.13.
[41] Evidence from Bec Davison, CRI, 07.02.13: point 8.4.

ineligible for housing support. Whilst experiencing domestic violence would probably be considered a valid reason for abandoning one's home, it may be no simple matter to prove this, particularly in instances where people are too scared to involve the police, or where long term abuse has never been reported to the authorities, meaning that there is no documented history to refer to. It is frequently the case that people suffering from domestic violence do not report their abuse

In terms of local connection, it is evident that people forced to flee their homes may not feel safe in their local areas. Whilst some people may have family or friends in other parts of the country, others will not, and may well have little choice but to move to an area where they have no connections – indeed such an area may be the safest place for them. However, having a local connection is one of the criteria by which homeless applications are judged. Again, there should already be enough flexibility in the system to ensure that someone genuinely fleeing domestic violence is able to access housing support wherever they have settled. Housing legislation effectives waives the requirement to have a local connection if you can show that you have no connection to any locality (for example if you've been serving with the armed forces for a length of time), or if you can prove that the places where you have an established connection are unsafe. However, the problem is again that it may not necessarily be easy for someone to prove that they are at risk, particularly if they do not have a well-documented history of domestic violence.

The city council is committed to supporting the victims of domestic violence, and this should clearly include helping people access housing services to which they are statutorily entitled. However, the council cannot simply take people who claim to be the survivors of domestic violence at their word. Even if the overwhelming majority of such applicants are genuine, this would leave a loophole for fraudulent applications, and a loophole that would probably get larger over time. This does not mean that the local authority should not continue to adopt as sensitive an attitude to domestic violence as possible, recognising that the great majority of people who claim to be fleeing abuse are indeed doing so, and that a necessarily robust system of checking must be designed not to deter genuine cases.

The panel recommends that future housing strategy reviews should specifically address the needs of people fleeing domestic violence. We also recommend that staff induction and training should ensure that those assessing eligibility for housing are aware of the common issues relating to intentionality and local connection outlined above, and that guidance to assessment teams should make it clear that the city council is committed to supporting survivors of domestic violence in accessing all services to which they are entitled.

Where the council knows that people have been affected by domestic violence, it could also explore using more flexible forms of tenancy. People suffering domestic violence may, regrettably, have to move at short notice for their own safety. It seems perverse to hold people in these circumstances

responsible for breaching a tenancy agreement or to make them forfeit their deposits.[42]

RECOMMENDATION 8 New and refreshed BHCC housing strategies must explicitly address the housing needs of victims of domestic violence.

RECOMMENDATION 9 Training for housing staff dealing with homeless applications must explicitly include information on domestic violence.

LGBT people

Jess Taylor of RISE told the panel that there was a real issue with LGBT people being made homeless because of their sexual orientation or gender identification - especially in terms of young people 'coming out' and being rejected by their families. The consequence of this is that LGBT people are typically over-represented amongst rough sleepers (up to 30% of rough sleepers in urban areas identify as LGBT, whereas the general LGBT population is rarely more than 10-15%).[43]

Facing being ostracised or harassed at home, many LGBT people gravitate to urban areas with a reputation for being inclusive, as do lots of people who simply want to live in an LGBT-friendly environment. Brighton & Hove is obviously a popular choice as an LGBT-friendly destination, and there are significant economic and cultural benefits for the city here.

Jess Taylor told the panel that domestic violence is typically under-reported, and this is likely to be even more so across the LGBT community, with many people reluctant to divulge details of the sexual or gender identity to the police or other authorities. Locally, the level of formally reported LGBT domestic violence is very low, but this is totally at odds with all qualitative data, such as the Count Me In Too survey, and is likely to indicate that there is an endemic problem of under-reporting in the city.[44] Peter Castleton of the council's Community Safety team echoed this point, telling members that official crime figures tended to under report both domestic violence and crimes against the LGBT community.[45] Homeless LGBT people, particularly younger people, may also be particularly vulnerable to domestic violence and to being coerced into providing sex in return for shelter, although this is not a problem unique to LGBT communities.[46] There is currently no local refuge provision or other safe space for men or trans men affected by domestic violence, although there is some provision for trans women. [47]

[42] Evidence from Jess Taylor, 19.02.13: point 13.12.
[43] Evidence from Jess Taylor, RISE, 19.02.13: point 13.2.
[44] Evidence from Jess Taylor, 19.02.13: point 13.5.
[45] Evidence from Peter Castleton, BHCC Community Safety, 19.02.13: point 13.5.
[46] Evidence from Jess Taylor and from Peter Castleton, 19.02.13: point 13.7.
[47] Evidence from Jess Taylor, 19.02.13: point 13.8.

Recent changes to Housing Benefit have capped payments to under 35s, meaning that people can only claim for the cost of a room in a shared house rather than for independent accommodation. For some LGBT people, particularly those who have already suffered domestic violence, this can be problematic, as people may not feel safe living with relative strangers who may target them for their gender orientation or sexual identity.[48]

Jess Taylor noted that LGBT people who do become estranged from their friends and family after coming out are much more likely than the general population to lack 'social capital' – the types of informal support that typically prevent homeless people from becoming rough sleepers.[49]

Ms Taylor told members that some LGBT people report encountering problems when attempting to access housing services – e.g. difficulties with staff who are unsympathetic or who do not understand LGBT issues. This is something that was also noted in the Count Me In Too survey of local LGBT communities and has been widely reported anecdotally. Ms Taylor suggested that this problem should be dealt with by ensuring that housing staff receive proper training in dealing with and signposting for LGBT customers (e.g. the type of training provided by Allsorts).[50]

Older LGBT people can feel very isolated, perhaps particularly those who are living in sheltered housing schemes where LGBT identities are not always well understood or accepted. Jess Taylor pointed out that there is no dedicated LGBT sheltered housing in the city and little acknowledgement of LGBT concerns across existing sites.[51]

The panel recommends that future homelessness strategies should explicitly address the needs of LGBT people, recognising that Brighton & Hove is particularly likely to attract those who have been unable to live free of harassment in other areas. We also recommend that staff induction and training should ensure that those assessing eligibility for housing are aware of the common issues relating to intentionality and local connection outlined above, and that guidance to assessment teams should make it clear that the city council is committed to supporting LGBT people in accessing all services to which they are entitled.

RECOMMENDATION 10 New and refreshed BHCC housing strategies must explicitly address the housing needs of LGBT people.

RECOMMENDATION 11 Training for housing staff dealing with homeless applications must explicitly include information on LGBT needs.

[48] Evidence from Jess Taylor, 19.02.13: point 13.9.
[49] Evidence from Jess Taylor, RISE, 19.02.13: point 13.6.
[50] Evidence from Jess Taylor, 19.02.13: point 13.10.
[51] Evidence from Jess Taylor, 19.02.13: point 13.11.

Young people

There are specific problems associated with young homeless people. In the first place, homelessness is a growing problem for young people as it is for other demographic groups. But there are also changes within the group of young people presenting as homeless. Stuart Kitchenside from Sanctuary told members that the profile of young people being supported by Sanctuary had changed significantly in the past five years, with a rise in younger applicants (16-17 rather than 20-25) coupled with increasingly complex support needs. This has a resulted in a changed emphasis for support services, moving from a focus on preparing young people for further/higher education to teaching basic coping skills.[52]

Sussex Central YMCA agreed, but noted that the need to concentrate on young people with complex support needs shouldn't distract people from the fact that demand for services was increasing across the whole of the demographic – the YMCA has seen client numbers increase six-fold in the last six years (from 100 to 600). By no means all of these young people have high support needs, but young people (i.e. 18-21) with no job, no employment history, credit history, guarantors or references, and with limited independent living skills, are competing for properties against students and young professionals and are unsurprisingly losing out. There is an obvious need for a focus on this issue: supporting young people to stay in the family home for longer, teaching living skills, and providing sufficient supported accommodation for those who cannot realistically find or maintain private sector tenancies.[53]

Supporting younger homeless people with high needs is a specialist job: when young people have had bad experiences with families and school they may not thrive in a rules-based environment. It is therefore important that service providers are able, and are enabled by commissioners, to work flexibly and appropriately with young people, delivering against outcomes rather than process targets. This work is necessarily long term, and typically does not fit the 2 year support plans that Supporting People funding requires. Mr Kitchenside noted that housing commissioners had been very progressive in these respects, recognising how complex and delicate work with young people has become and relaxing their rules to accommodate this – although there was always more that could be done.[54]

It is not totally clear why the profile of young homeless people has changed so much recently. Stuart Kitchenside suggested that it may reflect the increasing lack of jobs for low-achieving young people – a problem exacerbated in Brighton & Hove by the large student and graduate populations competing with local people for low-skills jobs. This lack of available jobs may discourage young people from trying to gain the skills that might make them employable.[55] Sussex Central YMCA agreed, but added that there was also a

[52] Evidence from Stuart Kitchenside, 19.02.13: point 13.13.
[53] Evidence from Sussex Central YMCA, 19.02.13: point 13.33.
[54] Evidence from Stuart Kitchenside, 19.02.13: point 13.14.
[55] Evidence from Stuart Kitchenside, 19.02.13: point 13.18.

general issue of ‘extended adolescence’ with young people taking on ‘adult’ attitudes and responsibilities much later in life. This could be seen across the social spectrum and was not necessarily a problem for privileged/high achieving young people, but could be a significant issue for young people who cannot rely upon parental support, and especially for those with other vulnerabilities such as mental health problems, learning disabilities, or experience of unstable childhoods.[56]

Support services are sensibly focused on getting their young clients into work. However, in practice this can be complicated by the claw-back of benefits and Supporting People funding from people who do find work. This may leave them no better off than before and could act as a further disincentive. Moreover there is a risk that vulnerable young people who are successful in finding work could be deemed as no longer in need of Supporting People funding and be therefore required to find private sector housing. Whilst this move-on might sometimes be appropriate, if applied indiscriminately it could end up ruining the progress of young people who have responded really well to support by moving them into unsuitable accommodation before they are truly ready to be moved.[57]

Indeed it may not be wise to assume that young people can easily access private sector housing. Stuart Kitchenside noted that it can be almost impossible for young people to get private tenancies as landlords are reluctant to house them, preferring ‘easier’ and more remunerative student or young professional tenants. Encouraging private landlords to take a more positive view of young tenants would therefore be valuable.[58]

Mr Kitchenside also told members that there is currently no dedicated service pathway for young homeless people, meaning that younger clients are expected to use the adult homelessness pathways. There is a real danger here in exposing vulnerable and easily-influenced young people to entrenched homeless adults and indeed to professionals whose main point of reference is that of entrenched service users. The risk is that young people will effectively be encouraged to view homelessness as a norm, as well as being exposed to resources which are really not appropriate for young people.[59] Sometimes there may be an advantage in accommodating some young people in adult schemes, particularly for those people who cannot settle in age-appropriate hostels, but this should be determined by the support needs of the individual not because pathways are too rigid or because there is a lack of age-appropriate places.[60]

Sussex Central YMCA noted that there is not enough supported accommodation for young people, with long waiting lists for hostels meaning that too many young people are housed in inappropriate B&B accommodation. There is a particular frustration here as B&Bs are both

[56] Evidence from Central Sussex YMCA, 19.02.13: point 13.18
[57] Evidence from Central Sussex YMCA, 19.02.13: point 13.19.
[58] Evidence from Stuart Kitchenside, 19.02.13: point 13.20.
[59] Evidence from Stuart Kitchenside, 19.02.13: point 13.16.
[60] Evidence from Stuart Kitchenside, 19.02.13: point 13.17.

expensive and typically poor environments for vulnerable people – providing sufficient hostel capacity would potentially be cheaper in the short term and would deliver even bigger long term benefits as it would provide a living environment designed to reduce people's vulnerabilities rather than one likely to exacerbate them. There are particular capacity issues in terms of supported accommodation for young people with mental health, substance misuse or learning disability issues.[61]

When addressing the housing needs of younger people it is also important to think holistically. If young people are not work ready, lack the types of skills or qualifications needed to enter the job market or the skills necessary to live independently, then finding them housing is likely to offer only a very partial solution to their difficulties. Rather, housing support needs to be delivered alongside other types of support, and any strategy aimed at younger homeless people needs to recognise that solutions will need to be much broader than the provision of shelter.

The recently published BHCC Draft Joint Commissioning Strategy: Housing & Support for Young People aged 16-25 addresses a number of the points raised above. In general the draft strategy should be warmly welcomed. However, it is unclear whether the strategy will seek specifically to address issues concerning the growing number of young people with high/complex support needs, the supply of specialist supported housing for young people, and 'holistic' support which focuses on work-skills as well as housing support. We feel that these are important areas and should form part of future service planning for young people at risk of homelessness, potentially as part of the Joint Commissioning Strategy.

RECOMMENDATION 12 Relevant new and refreshed homelessness strategies (e.g. the Joint Commissioning Strategy for Young people) should explicitly address need with regard to:

- **services for young people with high support needs;**
- **ensuring that there is sufficient specialised housing to support young people;**
- **the need to deliver 'holistic' support to young people (i.e. helping make young people work ready at the same time as housing them)**

Community Safety/Policing

Peter Castleton of the BHCC Community Safety Team told members that local services for rough sleepers involved the council working in partnership with the police, with BHT and CRI, and with a number of community and voluntary sector organisations, both to discourage rough sleeping and to provide outreach support to those who nonetheless rough sleep.[62] The

[61] Evidence from Sussex Central YMCA, 19.02.13: point 13.34.

[62] Also important in this context is the Co-ordinated Agency Intervention to End Rough Sleeping Approach (CAIERS). This new multi-agency project, led by BHT and CRI seeks to plan and co-ordinate support to end rough sleeping on a case-by-case basis, prioritising the most entrenched and vulnerable service-users. To date this project has been very successful. More information, supplied by BHT, as included in **Section 2** to this report.

intention is to protect rough sleepers – from other rough sleepers and from 'external' threats - and to minimise the impact that rough sleeping has on settled communities. In general services are very good, as demonstrated by the fact that the number of rough sleepers locally has increased significantly in recent years without a similar increase in complaints about them.

However, there are still some major problems. These include a very high homicide rate within the rough sleeping community; very high levels of harassment and abuse of rough sleepers - particularly by drunk people in the centre of town - poor reporting of harassment by rough sleepers; and rough sleepers being used for forced employment. There is also a considerable cross-over between the rough sleeping community and other groups – most notably street drinkers. This means that rough sleeper problems can spread to other areas – as when housed street drinkers invite rough-sleeping street drinkers back to their flats.[63] Brian Doughty, Head of BHCC Adult Assessment, added that a significant problem for adult social care was 'cuckooing', where vulnerable tenants were targeted by homeless people who would 'befriend' them before moving in with them and exploiting them. Again this is a cross-agency problem and a joint protocol is being established to help deal with it.[64]

Mr Castleton told members that support for rough sleepers needed to be carefully targeted. Some rough sleepers are actually incredibly resilient and do not need (or want) high levels of support.[65]

Bec Davison of CRI agreed that the police and community safety teams had made great strides in recent years to understand and develop links with homeless people (e.g. via the Street Community Policing Team), and this was to be commended. However, there was a risk that a focus on building relationships with the homeless community meant that anti-social behaviour committed by rough sleepers might be ignored for fear that enforcement would alienate those with whom the police were trying to build bridges.[66] John Child noted that Sussex Partnership NHS Foundation Trust (SPFT) had experienced parallel problems, with the police reluctant to use appropriate enforcement measures when dealing with mental health service users.[67]

Employment support

Many homeless people lack qualifications, job experience or even the most basic work skills, either because they have never had them or because the trauma they have experienced has effectively de-skilled them. If people are to eventually live normal, settled lives it is clearly vital that they have the necessary skills to live and work independently. It is therefore important that, in addition to providing shelter, services for homeless people enable their clients to develop work and learning skills.

[63] Evidence from Peter Castleton, BHCC Community Safety, 19.02.13: point 13.25.
[64] Evidence from Brian Doughty, 19.02.13: point 13.23.
[65] Evidence from Peter Castleton, 19.02.13: point 13.28.
[66] Evidence from Bec Davison, CRI, 07.02.13: point 8.16.
[67] Evidence from John Child, Sussex Partnership NHS Foundation Trust, 07.02.13: point 8.7.

The panel heard from Rob Liddiard and Adrian Willard of Friends First. Friends First is a small voluntary organisation that provides a range of services for homeless people, including drop-in provision, supported accommodation, a move-on house and a working farm. Friends First aims to support homeless people to develop work skills by giving them experience of working – either in building or market-gardening. The intention is to teach general work-related skills, such as being punctual and reliable, rather than very specific skills. Mr Liddiard noted that this was a relatively undeveloped idea in terms of local homeless provision, but that there was considerable merit in the concept of a 'working hostel' environment as becoming work-ready was an important part of reintegrating homeless people into the community.[68] The use of a rural setting for some of these services has advantages in terms of avoiding some of the distractions of a city centre environment, although few Brighton & Hove homeless people would choose or be well-adapted to living permanently in a rural environment.[69]

The panel heard that there was a significant practical problem with running the Friends First market garden: Jobcentre+ refuses to accept that clients being trained via the market garden are undertaking genuine job-training and requires them to sign-on as usual. It can easily take claimants half a day's travel to do so, and this is unsettling for the service users as well as being a waste of time that could have been spent on work training. What seems particularly nonsensical is that the people training at the market garden are by definition lacking in the kind of skills that would make them employable, so they are being made to 'sign-on' to show that they are actively seeking jobs they cannot hope to obtain rather than spending the time learning skills that might make them employable.[70]

We are aware that this type of problem is not limited to Friends First, but has been encountered by a range of groups supporting homeless or formerly homeless people. It seems to be the case that Jobcentre+ has limited room for manoeuvre here, being obliged to act in accordance with central Government guidance. After lobbying by local third sector organisations Jobcentre+ has agreed to classify some schemes in such a way as to minimise the need for service-users to sign-on. Voluntary organisations have also agreed to seek the relaxation of sign-on rules only in situations where they are providing core employability skills, not in situations where they are teaching more generic skills like IT literacy.

We welcome this compromise brokered by local voluntary sector organisations and by Jobcentre+. However, although the situation is better than it was, only a partial solution has been achieved – what is really needed is more constructive central Government guidance which actively encourages the up-skilling of homeless and insecurely housed people as an essential part of re-integrating them into society.

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[68] Evidence from Rob Liddiard, Friends First, 19.02.13: point 13.30.
[69] Evidence from Adrian Willard, Friends First, 19.02.13: point 13.31.
[70] Evidence from Rob Liddiard, 19.02.13: point 13.32.

RECOMMENDATION 13 the Council should consider lobbying central Government (on the issue of people who are receiving employability training being required to attend the Job Centre to sign-on), reflecting the concerns of local voluntary sector providers that the rules dictating the ability of Jobcentre + to relax its signing-on requirements are still too inflexible – although it should be recognised that only people undertaking genuine employability-focused training should be exempted from signing-on.

Private landlords

With little or no space available in social housing in Brighton & Hove and local property prices unaffordable for many people, the private rented sector has assumed increasing importance in recent years. However, to access private sector housing, homeless people have to compete against several other groups, including professionals (some of whom might previously have bought property, but are now unable to find deposits or a mortgage) and students, whose numbers have increased in recent years.

With demand effectively outpacing supply in the local housing market, landlords and letting agents have become increasingly choosy about the tenants they take on, seeking to minimise their exposure to risk by demanding hefty deposits, references, undertaking credit checks and only renting to those in steady employment. (Letting agents typically insist on these checks being carried out *and* charge large sums to process them.) These checks and charges can present a formidable barrier to people trying to access housing, particularly for those with limited financial resources, and can mean that people are in a position where they are in employment and able to pay a commercial rent, but still can't get a tenancy.

The situation is likely to be much worse for people with a chequered housing history – for instance people with mental health or learning disability problems that have meant they have struggled to pay rent on time, or to keep their properties clean etc. Vulnerable people like these are obviously unlikely to be able to compete effectively against professionals in an open housing market. One way of dealing with this is to try and ensure that vulnerable people currently in tenancies are not evicted (there is a particular urgency here for local authorities which are likely to have to provide long term support for vulnerable people if they can't live successfully in the private rented sector).

There is therefore a clear need for local authorities and other agencies involved in homelessness to work closely with private landlords to try and support vulnerable tenants in their private sector tenancies and avoid evictions which are likely to be bad news for the individuals affected and for statutory support services. The council's housing teams already do a good deal of work in this respect, both at an operational level and at a more

strategic level via the city Strategic Housing Partnership, and this work is to be commended.[71]

Brian Doughty, Head of Adult Assessment for the city council, told the panel that there was a particular problem with clients who are 'neglectful' – people who may have mental health problems, but who retain the capacity to make decisions about their own welfare, and who 'choose' to neglect themselves, living in unsanitary conditions, hoarding etc. Clearly, few private landlords would actively choose to have this type of tenant, so there is a need for services to offer as much support as necessary to landlords if they want to keep such people in their tenancies.

This is true for public landlords too – i.e. the council or housing associations – taking a firm stance on un-neighbourly or anti-social behaviour needs to be balanced against the need to support vulnerable people, and an understanding that eviction may simply just shift the burden and costs of supporting people down the line.[72]

The council's housing teams are already very active in their engagement with private landlords, both at an operational and a strategic level, through the city Strategic Housing Partnership. The panel recognises the worthwhile work being undertaken here, and notes that it is likely to grow in importance in coming years as the city becomes more rather than less reliant upon the private rented sector to house vulnerable people.

A local resident, Mr Richard Scott, suggested that services might look to do more in terms of intervening in private sector landlord/tenant disputes – e.g. in certain circumstances offering to guarantee the payment of a tenant's debts providing they were allowed to remain in their tenancy, and then working with the tenant to recover these debts gradually.[73]

RECOMMENDATION 14 New or refreshed homelessness strategies should explicitly address the issue of working with private landlords to maximise the supply of private rented accommodation accessible to homeless people.

Prison

Offending is prevalent amongst rough sleepers: usually for matters such as street drinking, begging, shop-lifting and drugs offences, but frequently for more violent crimes also. Many rough sleepers have a significant criminal history, including imprisonment.

Being imprisoned is itself likely to cause or contribute to homelessness: people who are in prison may be at risk of losing tenancies, or of being estranged from their families and homes.

[71] Evidence from Narinder Sundar, 07.02.13: point 8.28.
[72] Evidence from Brian Doughty, Head of BHCC ASC Assessment, 19.02.13: point 13.21.
[73] Evidence from Richard Scott, 07.02.13: point 8.29.

This is a particular local issue, given the proximity of Lewes prison. People released from Lewes may gravitate to Brighton & Hove on release, whether or not they have a local connection, and some of these people (particularly the ones who are not locals) may end up rough sleeping.[74] There are good services available in Brighton & Hove for ex-convicts with a local connection, including an in-reach service provided at Lewes Prison by the council's Housing Options team and by BHT, but fewer such services for those who are not locals.[75]

Clearly rough sleeping is unlikely to provide a stable background to enable ex-offenders to reintegrate successfully into society and to reduce the risk of re-offending. People who end up rough sleeping after being released from prison have a relatively poor chance of avoiding re-offending – which is bad news for them and has obvious system costs in terms of the impact of future crimes on the criminal justice system.

It seems obvious therefore that every step should be taken to ensure that people leaving prison do not end up on the streets. However, things are not necessarily this simple: offering housing support to released offenders who did not meet the local eligibility criteria would certainly cost the city council money in the short term; and although it might well save the public sector considerable sums in the long term, there is no obvious way of getting the agencies who are likely to make most of the long term savings (the police, the courts, probation, prisons) to contribute. In addition, there would be an obvious risk here in offering a higher level of support than neighbouring areas – the city is presumably not eager to be a preferred destination for people leaving prison. It may therefore be that this is the kind of issue that is best progressed jointly with neighbouring local areas, and with the agencies that stand to gain most from reductions in re-offending.

An allied issue is that of the imprisonment of local people who have social housing or council tenancies. We are unclear whether people who are in prison for only a brief period are able to resume their tenancies when they are released. If not, this would seem to make their reintegration into the community much harder and substantially increase their risk of becoming homeless – with obvious financial impacts. We would hope therefore that a sensible solution could be found to sustain tenancies across short periods of incarceration.

RECOMMENDATION 15 – the council should explore what can be done to maintain people's tenancies should they be imprisoned for a short period of time. The aim should be to minimise the number of people with a local housing connection being made homeless as a result of imprisonment.

[74] Evidence from Sara Emerson, 07.02.13: point 8.18.
[75] Evidence from Narinder Sundar, 07.02.13: point 8.18

Housing and Social Care co-working

Brighton & Hove is a unitary authority, which means that the city council is responsible for supporting homeless people under housing legislation *and* vulnerable adults and families under social care legislation. The latter include people who do not meet the statutory homeless criteria but who have very significant vulnerabilities in terms of mental health, substance misuse, physical or learning disabilities. A similar arrangement is in place with council children's services for families who are eligible for housing under children's legislation. In recent years, the city council has increasingly moved to a model where all people eligible for housing by the council are dealt with by housing services rather than being housed directly by adult or children's social care.

In general, such arrangements should be welcomed – there is obvious logic in having a local authority housing team responsible for delivering all the housing support which the authority is required to provide. The alternative would be to have a situation where adult social care, children's services and housing all commissioned their own services, with an obvious risk of duplication and increased costs.

However, some of the clients whom social care is responsible for housing have particular vulnerabilities which mean that they require high levels of expert support to live independently. For example, a minority of people with learning disabilities may act in ways which endanger themselves or others – by being neglectful etc. It is important that agreements between social care and housing ensure that appropriate levels of support are provided for very vulnerable people, particularly because if serious problems do develop it can be prove very difficult to take enforcement action against people with such high levels of vulnerability.[76] At the same time it is crucial that already vulnerable people are not made more so by being evicted from their homes. Social care, housing and environmental health services need to work closely together to manage this group of clients and a joint protocol is being developed to this end.[77]

The panel heard that operational partnerships between adult social care and housing had improved markedly in recent years and were now fairly effective. However, it is evident that there is still work to do in terms of strategic co-working. This is an important issue, not least because it seems possible that we are going to see an increase in people with high levels of vulnerability presenting as homeless in the coming years. If departmental boundaries mean that this co-working is only ever going to be partially effective, then this seems to us to be an argument for looking to see whether the boundaries

[76] Evidence from Sylvia Peckham, 25.01.13: point 3.13.
[77] Evidence from Brian Doughty, Head of BHCC ASC Assessment, 19.02.13: point 13.21.

between ASC and housing need to be redrawn to more accurately reflect the degree to which the services are required to work in an integrated manner.

RECOMMENDATION 16 New and refreshed homelessness strategies must explicitly recognise that social care and housing increasingly need to work in an integrated manner, and should establish structures to enable this.

Partnership Working

Effective partnership working to support people with complex needs is predicated upon information-sharing. However there are some major difficulties here, particularly in relation to health and mental health records.[78] This is a really tricky area as there are genuine issues of patient confidentiality to be balanced against the advantages of information-sharing. Good work has been done in this respect already, but it is obvious that more needs to be done.

Eligibility

Local authorities are only *required* to offer housing support to those applicants who meet all the statutory eligibility criteria. However, councils may volunteer to support people who do not meet all the criteria, and some do so, particularly in terms of the 'local connection' and 'intentionality' tests.[79]

There are a couple of good reasons for relaxing the eligibility criteria. In the first place, having very strict criteria in place will catch those who have no real connection to a locality or who have acted irresponsibly in past tenancies, but it may also catch people who are quite genuine applicants. There is therefore an argument in terms of equity here. This is particularly so for groups such as people fleeing domestic violence or LGBT people escaping from harassment in their home towns, where there is evidence that some types of applicant may, through no fault of their own, struggle to prove that they are genuinely eligible.

Secondly, people who are deemed ineligible for housing assistance will not necessarily go elsewhere – many will stay in the local area, and some of them may end up rough sleeping etc, with the potential for major down-stream costs. It may therefore make sense to relax eligibility criteria in circumstances where the up-front costs are likely to be dwarfed by the costs of not effectively supporting people who will nonetheless remain as a local problem.

However, whilst relaxing the eligibility criteria might be a possibility somewhere with a surfeit of empty social housing, it's unlikely to be a realistic option in Brighton & Hove where demand for social housing already far exceeds supply and which is already a 'destination' for homeless applicants. It is important though to recognise that not every unsuccessful homeless

[78] Evidence from Peter Castleton, 19.02.13: point 13.29.
[79] Evidence from Sarah Gorton, 07.02.13: point 8.20.

applicant is necessarily unworthy of support – many people who do have a real connection to the city and who haven't lost tenancies through any fault of their own will nonetheless fail to meet the homeless eligibility criteria.[80] The local authority needs to be sensitive in dealing with applicants like these, and where possible, to provide them with, or perhaps more realistically direct them to, support and advice.

RECOMMENDATION 17 New and refreshed homelessness strategies should specifically address the support/advice needs of those who have been deemed ineligible for statutory housing support, recognising that this is a significant group of people, many of whom have genuine support needs.

Dual Diagnosis

People who have *both* severe and enduring mental health problems and major substance misuse issues are often referred to as having a 'dual diagnosis'. (The term is also sometimes used for other co-morbidities, such as learning disability and substance misuse problems.) People with a dual diagnosis can be amongst the most vulnerable people in the community *and* amongst the most disruptive, presenting major challenges to support services, including housing. People with a dual diagnosis are over-represented in temporary and emergency housing, and particularly so amongst rough sleepers.

Brighton & Hove has long had problems with dual diagnosis, unsurprisingly given the city's well documented issues with drugs and alcohol and the local level of mental health problems. There has been a good deal of work in recent years, including a strategic needs assessment, the work of a scrutiny panel on dual diagnosis and Sussex Partnership NHS Foundation Trust's development of a dual diagnosis strategy. However, problems persist, and will doubtless continue to do so however good services become at dealing with this issue.[81]

The panel has no specific recommendations to make in respect of dual diagnosis, but notes that our recommendations around providing multi-agency, front-loaded and targeted support to those homeless people with the most complex needs would obviously apply to people with a dual diagnosis.

Dealing with homeless applications

The panel heard evidence that the system for processing homelessness applications was dysfunctional, with applications regularly being lost and staff being unsympathetic to applicants.[82] We also heard that LGBT people had experienced particular problems with staff who failed to understand their circumstances.[83]

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[80] Evidence from David Richards, a local homeless person: 07.02.13, point 8.22.
[81] Evidence from John Child, Deputy Service Director, Sussex Partnership NHS Foundation Trust, 07.02.13: point 8.26.
[82] Evidence from David Richards, 07.02.13, point 8.23.
[83] Evidence from Jess Taylor, 19.02.13: point 13.10.

This is anecdotal evidence, and it may well be that people who have had a negative experience of the system are in a minority – we have certainly not conducted a systematic review of services. However, it should clearly be the case that all service users are treated courteously, and that an assessment system should be designed to *support* people in claiming services to which they are eligible, not to deter claimants. At the same time, it is important to remember that statutory homelessness services are meant to be a last resort for people who are unable to otherwise find shelter. They are not intended as an alternative to finding one's own accommodation, and people need to be discouraged from viewing them as such.

There is clearly a balance to be struck here: homelessness services need to be accessible, but they also have to manage demand effectively, ensuring that they are used as a last rather than a first resort.[84] However, managing demand ought not to mean that assessment is less than optimally efficient, nor that applicants should receive anything other than courteous and professional treatment.

Local Connection/Intentionality

The panel heard experts argue that it might make sense to apply the 'local connection' or 'intentionally homeless' criteria more flexibly for certain groups of people – for example those affected by domestic violence, or young LGBT people. However, there is a strong counter-argument here: that Brighton & Hove is already a destination for homeless people and that we simply could not cope with a greatly increased influx of applicants if the eligibility criteria were relaxed.[85] There is obviously a balance to be struck between an ethical homelessness policy (and one which accords with statutory equalities duties) and the need to manage an already major problem (with the danger that accepting more applicants will mean that there are fewer resources to help homeless people).

Housing Supply

Clearly, one of the most obvious ways to reduce levels of homelessness would be to build additional local housing. Equally clearly this is not an easy task, particularly in somewhere like Brighton & Hove with limited available sites and high costs. The panel recognises that the council is working hard to develop the supply of permanent housing, but that this is a challenging long-term project.

In this context it is worth mentioning innovative shorter term 'fixes' such as the BHT scheme to provide temporary housing for homeless people in 'container homes' in Hollingdean. This project has provided a significant number of much-needed homes quickly and at a low cost. There is a potential

[84] Evidence from Bec Davison, 07.02.13: point 8.27.
[85] Evidence from Peter Castleton, 19.02.13: point 13.27.

opportunity to develop similar schemes using other temporarily vacant sites across the city.

Monitoring the Panel Recommendations

This scrutiny panel will initially seek endorsement of this report at the Health & Wellbeing Overview & Scrutiny Committee (HWOSC). Should this be forthcoming, the panel report will be presented for decision at one or more of the Council's policy committees. The policy committee(s) will decide which recommendations to accept and implement.

Scrutiny typically monitors the implementation of agreed panel recommendations. We therefore propose that the agreed panel recommendations relevant to this report be monitored annually by the Overview & Scrutiny Committee. In addition officers may choose to report progress in implementation periodically to policy committee(s).

RECOMMENDATION 18 – The OSC should monitor the implementation of agreed panel recommendations on an annual basis until the committee is satisfied that all recommendations have been implemented.

Appendix 1

List of Panel Recommendations

RECOMMENDATION 1 **Given the significance of homeless people in terms of city health inequalities, we welcome the fact that the Health & Wellbeing Board is taking an active interest in the health and social care needs of this group. We are very interested in the progression of this work, and request that the HWB's plans for homeless healthcare be presented to the HWOSC for comment within the next 12 months.**

RECOMMENDATION 2 **A senior BHCC officer should be appointed as 'homelessness services integration champion' across statutory services and other sectors.**

RECOMMENDATION 3 **the council needs to take action to diversify its 'stock' of hostel accommodation, seeking to spread hostels more evenly across the city, and to offer a range of accommodation options in terms of hostel size and the level of support on offer.**

RECOMMENDATION 4 **we need a more diverse range of supported accommodation available to house single homeless people, particularly those with very complex needs. Whilst this is clearly not going to happen overnight, we would welcome a commitment to move to a model of greater diversity coupled with at least some practical action in the short term.**

RECOMMENDATION 5 **the council needs to produce a clear map of statutory and non-statutory homelessness services across the city and make it available via the its website.**

RECOMMENDATION 6 – **homeless pathways should be revised to allow clients to move directly into band 3 support when it is clear that there is no realistic possibility of them progressing successfully through band 2 support.**

RECOMMENDATION 8 **New and refreshed BHCC housing strategies must explicitly address the housing needs of victims of domestic violence.**

RECOMMENDATION 9 **Training for housing staff dealing with homeless applications must explicitly include information on domestic violence.**

RECOMMENDATION 10 **New and refreshed BHCC housing strategies must explicitly address the housing needs of LGBT people.**

RECOMMENDATION 11 Training for housing staff dealing with homeless applications must explicitly include information on LGBT needs.

RECOMMENDATION 12 Relevant new and refreshed homelessness strategies (e.g. the Joint Commissioning Strategy for Young people) should explicitly address need with regard to:

- **services for young people with high support needs;**
- **ensuring that there is sufficient specialised housing to support young people;**
- **the need to deliver 'holistic' support to young people (i.e. helping make young people work-ready at the same time as housing them)**

RECOMMENDATION 13 the Council should consider lobbying central Government (on the issue of people who are receiving employability training being required to attend the Job Centre to sign-on), reflecting the concerns of local voluntary sector providers that the rules dictating the ability of Jobcentre + to relax its signing-on requirements are still too inflexible.

RECOMMENDATION 14 New or refreshed homelessness strategies should explicitly address the issue of working with private landlords to maximise the supply of private rented accommodation accessible to homeless people.

RECOMMENDATION 15 – the council should explore what can be done to maintain people's tenancies should they be imprisoned for a short period of time. The aim should be to minimise the number of people with a local housing connection being made homeless as a result of imprisonment.

RECOMMENDATION 16 New and refreshed homelessness strategies must explicitly recognise that social care and housing increasingly need to work in an integrated manner, and should establish structures to enable this.

RECOMMENDATION 17 New and refreshed homelessness strategies should specifically address the support/advice needs of those who have been deemed ineligible for statutory housing support, recognising that this is a significant group of people, many of whom have genuine support needs.

RECOMMENDATION 18 – The OSC should monitor the implementation of agreed panel recommendations on an annual basis until the committee is satisfied that all recommendations have been implemented.

Brighton & Hove Homeless Health Needs Audit

February 2014

NHS

Brighton & Hove City Council

Brighton and Hove
Homeless Health Needs Audit

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Acknowledgements

Special thanks go to the homeless services who gave their time and effort to administer the questionnaires and to the service users who completed the survey. A full list of services recorded as participating in the audit is included in appendix 5.

Thanks to all of the providers and commissioners who commented on the original survey and to Helen Mathie of Homeless Link.

The project was overseen by a steering group with membership of:

Alistair Hill	Brighton and Hove City Council
Barbara Hardcastle	Brighton and Hove City Council
Jenny Knight	Brighton and Hove City Council
Linda Harrington	Brighton and Hove Clinical Commissioning Group
Stephen Woodbridge	Brighton YMCA
Russell Carter	Brighton and Hove City Council

In addition acknowledgements also go to the following colleagues in Public Health, Brighton and Hove City Council for contributing their time, views and expertise:

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Introduction

Homelessness and rough sleeping have been increasing nationally in recent years and health and wellbeing needs are high among rough sleepers and people living in insecure accommodation. In particular, there is a high prevalence of mental ill-health, drug and alcohol dependency and physical health needs. The Joint Strategic Needs Assessment for 2013 highlighted that housing and homelessness have a high impact on health and wellbeing in Brighton & Hove.[1]

A new Brighton & Hove Homeless Strategy will be published in 2014 and there is an opportunity to consider how services can be improved to improve health outcomes in this vulnerable group. Therefore the health and wellbeing Board agreed that this audit would be conducted as part of the Joint Strategic Needs Assessment programme. This report complements the Rough Sleeper and Single Homeless needs assessment (available at http://www.bhlis.org/resource/view?resourceId=1442)

The Homeless Health Audit was originally developed by Homeless Link with funding from the Department of Health and is a questionnaire designed to be completed by service users with help from a support worker. The principal aim of conducting the audit was to increase local knowledge on the health needs of the homeless population while increasing the involvement of homeless people and homeless services in local commissioning processes.

The targeted population for this audit was the single homeless population, many of whom the Council has no statutory responsibility to house. Further information on Local Authority legal obligations for housing is available in the Rough Sleeper and Single Homeless Needs Assessment 2013.[2] The questionnaire was completed in homeless services across Brighton & Hove using a non-random sampling strategy which aimed to include as many homeless clients as possible. Services for homeless people in Brighton & Hove are provided in an integrated support pathway which categorises services into five bands. Band one provides the most intensive support to those with often the highest levels of need through to band five which provides the least intensive support to people otherwise living independently. The bands are summarised below:

Band 1: Provides outreach and floating support for rough sleepers and those in emergency placement accommodation (including temporary B&B accommodation). Rough sleepers are likely to have the most intensive health needs of the homeless population.

Band 2: Hostels which are staffed 24 hours a day, seven days a week.

Band 3: Supported accommodation with support provided during office hours.

[1] http://www.bhlis.org/jsna2013
[2] http://www.bhlis.org/resource/view?resourceId=1442

Band 4: Low level floating support for people living in their own tenancy.

Band 5: Crisis response and peer support for people otherwise independent of services. These clients are likely to have the least intensive health needs of the homeless population.

It is important to note that this pathway does not include homeless people with severe mental health conditions who are usually placed in mental health accommodation. This is likely to impact on the type and severity of mental health needs in the sample. Similarly most over 65 year olds are usually placed in sheltered housing or other older people services meaning there are relatively few people in this age group in the integrated support pathway.

The questionnaires were completed by clients in 4 out of the 5 bands with 80 completed in band one services, 125 in band two, 68 in band three and 4 in band five. Some questionnaires did not report the service where they were completed. No band four services were asked to participate in the audit because these services were piloting a screening tool during the period when the Homeless Health Audit was being carried out. The full integrated support pathway is displayed in appendix 1.

Data for the local and national general populations is presented for comparison throughout the report where available although caution should be taken when comparing many of these figures directly with different surveys often using very different methodologies. Nevertheless they often provide a useful point of reference for the size of the challenge facing services in meeting the needs of a group whose health is among the poorest in our communities.

Where possible, data from the audit in Brighton & Hove is also compared to data from a national pilot of the audit questionnaire which included a sample of 727 people across nine NHS Primary Care Trust areas in England in 2009/10. However, due to the non-random nature of both samples and a lack of information on response rates and the makeup of the national sample, comparisons between the two surveys should be treated with some caution. In total, over 3000 homeless people have now completed the audit nationally and further data from this sample is due to be published in March 2014 which will allow for further comparison with the Brighton & Hove sample.

Methods

The questionnaire was developed by Homeless Link and consisted of a total of 34 questions in six sections:

- Demographics
- Access to health services
- Health behaviours
- Health and wellbeing (including aspects of mental and physical health)
- Substance misuse
- Screening and immunisations

The delivery of the survey was overseen by a steering group which included representation from Public Health, Housing, Brighton and Hove Clinical Commissioning Group and Brighton YMCA as a provider representative.

The Homeless Link survey was circulated to service providers and commissioners for comment in advance and based on responses received some of the generic content was tailored to local circumstances. The survey was completed over a period of six weeks in summer 2013.

Before completing the survey clients were asked to confirm that they understood how the information would be used and that they had not previously completed the survey at another venue. The questionnaire was anonymous with no personal details recorded and took approximately 20 minutes to complete.

Clients of participating services were approached by frontline staff and asked to complete a questionnaire with their assistance. This approach was designed to obtain as large a sample as possible in the absence of an adequate sampling frame from which to take a random selection.

The data was analysed using SPSS v19 and findings were presented to and discussed by a steering group of local stakeholders. Recommendations were agreed by this group and communicated widely to other stakeholders in homeless health in Brighton & Hove.

Section 1: Demographic information

Sample size

In total 302 people completed the Homeless Health Audit questionnaire in services across Brighton & Hove between July and August 2013. The initial target number of responses was 304, which was estimated to be approximately 40% of all single homeless people accessing services in the City.

Age

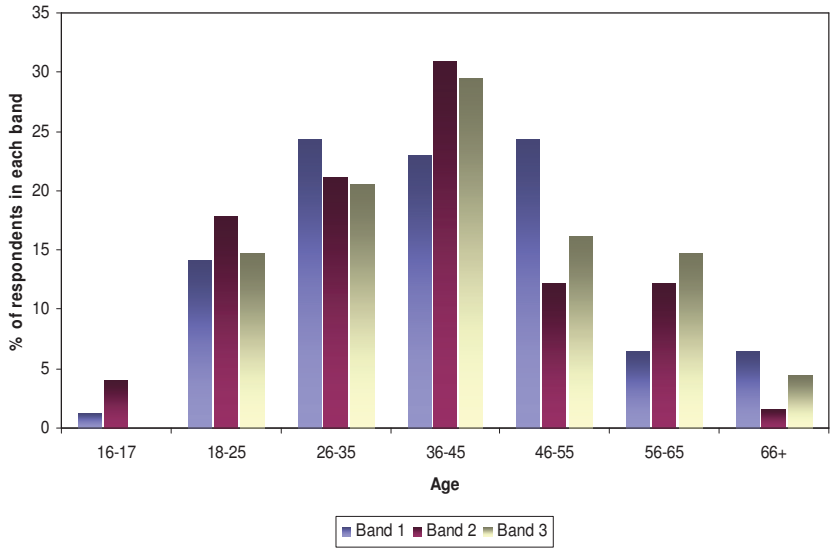
A total of 296 people (98%) provided their age during the audit. There was a wide spread of ages in the sample although only 2% were under 18 years and only 3% were over 65 years. This highlights that there are fewer people over 65 years of age in this population compared to the general population in Brighton & Hove, with 2011 mid-year estimates suggesting 13% of people in the City are in this age band. As stated previously this would be expected as many people over 65 years of age are placed in sheltered housing or other older people services meaning there are relatively few people in this age group in the integrated support pathway.

Table 1. Breakdown of respondents by age

Age range	Count	%
16-17	6	2%
18-25	55	19%
26-35	62	21%
36-45	80	27%
46-55	50	17%
56-65	33	11%
66+	10	3%
Total	**296**	**100%**

The age spread was also similar in bands 1, 2 and 3 (the number of band 5 respondents was too small to display).

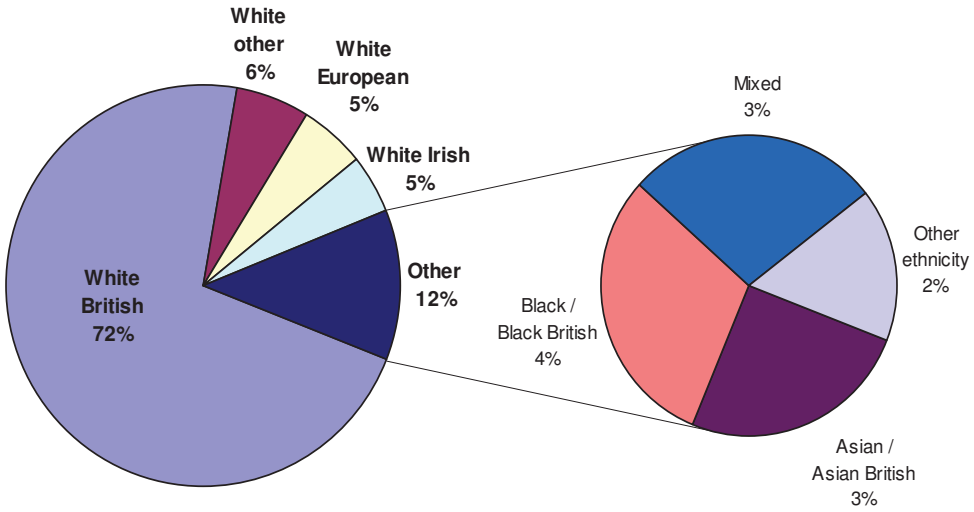
Figure 1. Age of respondents by service band



Ethnicity

A total of 296 people (98%) indicated their ethnicity during the audit. Out of these 212 were White British (72%) and 84 were from Black and Minority Ethnic (BME) groups (28%) which includes all individuals who classified their ethnic group as something other than White British.

Figure 2. Breakdown of respondents by ethnic group



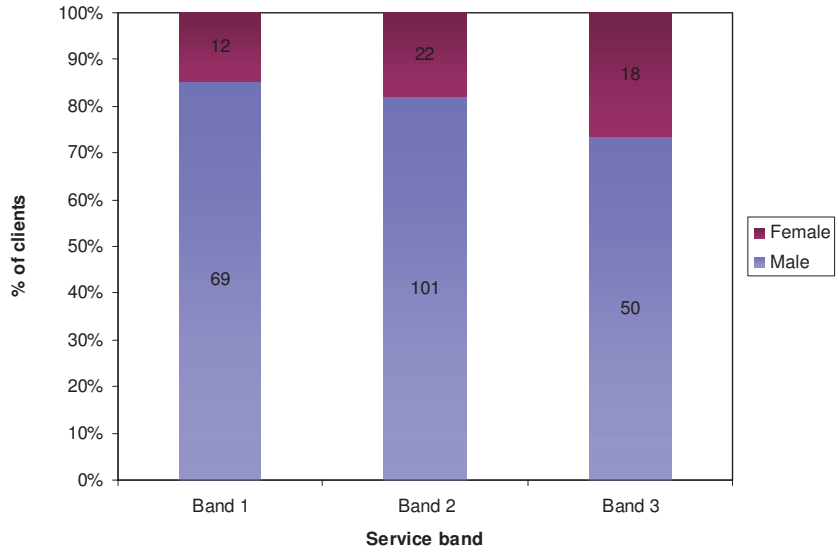
These figures suggest that the homeless population is more ethnically diverse than the general population in Brighton & Hove with 2011 mid-year estimates suggesting 80.5% of people in the City are White British.

Gender

A total of 294 people (97%) indicated their gender during the audit. Out of these 78% were male and 22% female. This is markedly different to the general population in Brighton & Hove which mid-2011 estimates suggest is equally split at 50% males and 50% females.

The proportion of females was lowest in the band one clients (15%) and increased in bands 2 and 3 (18% and 26% respectively).

Figure 3. Proportion of males / females by service band.

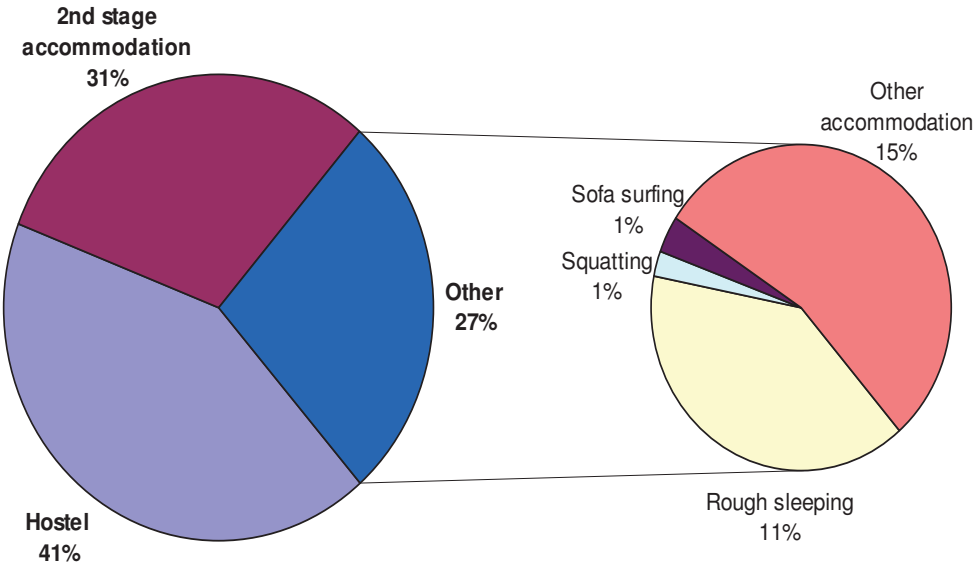


An additional question was asked about whether clients identify themselves as transgender and five out of 260 people (2%) indicated that they did (42 people did not provide a response to the question).

Accommodation status

A total of 299 (99%) people indicated where they were currently sleeping during the audit. The clients were predominantly hostel residents or living in second stage or supported accommodation. Smaller proportions were rough sleeping, squatting or sofa surfing.

Figure 4. Breakdown of respondents by accommodation status



Background of clients

Out of the 302 people that completed the survey, 22 (7%) indicated that they had left care services for young people in the last five years while 27 (9%) indicated that they were currently employed.

Twenty-one people (7%) indicated that they had left prison within the last 12 months while 55 (18%) indicated that they had left prison more than 12 months ago meaning a quarter of the sample had been in prison at some point. This is to be expected as the integrated support pathway for homeless people incorporates a pathway for offenders including hostels that have beds specifically for people on probation.

Figures five and six display the number of people indicating their current employment and offending situations.

Figure 5. Breakdown of employment status

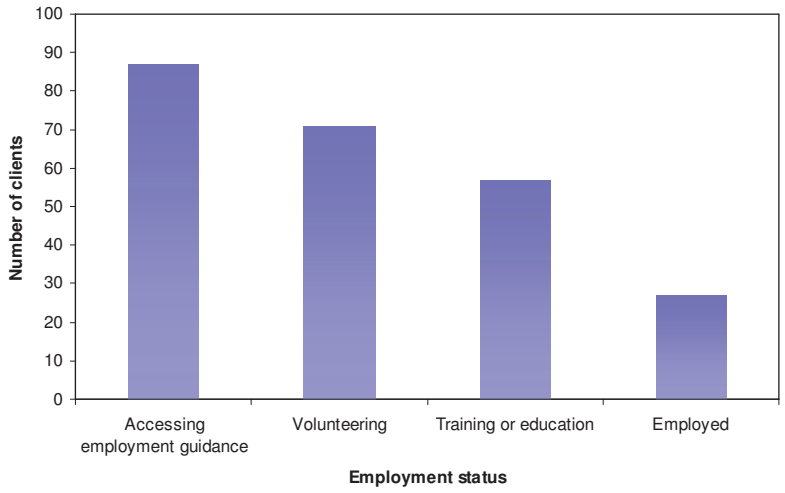
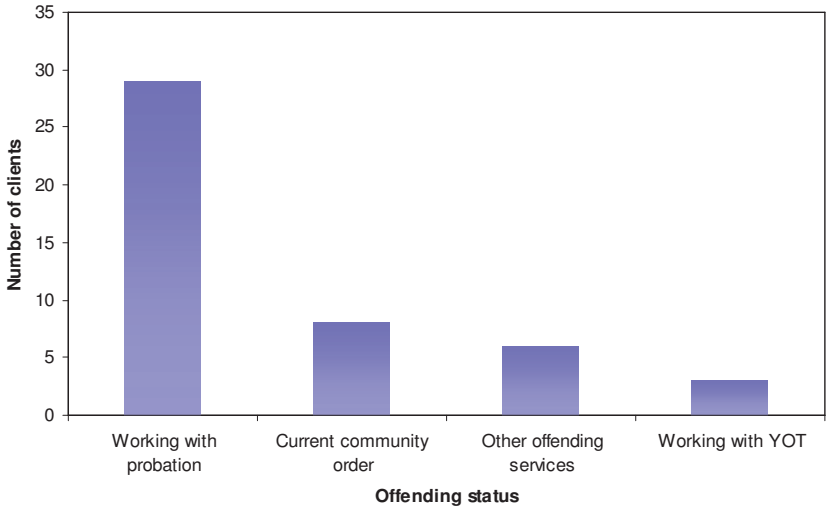


Figure 6. Breakdown of offending status



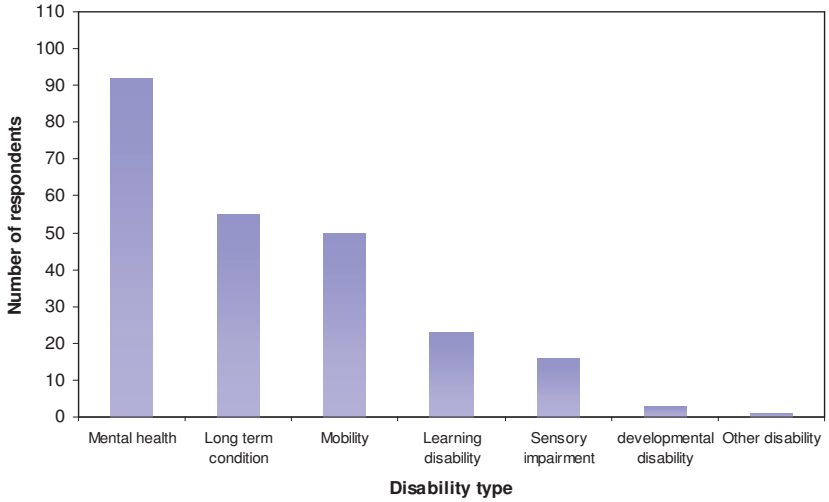
A total of 291 people (96%) indicated their migration status during the audit and 268 (89%) of these indicated they are UK residents, 6 (2%) that they are A10

nationals[3] and 11 (4%) that they are other EU nationals. A small number of people (below five) were currently seeking asylum in the UK.

Disability

A total of 289 people (96%) answered the question on whether they have one or more disabilities and 145 (50%) indicated that they do. Figure seven indicates the number of these people who stated they have each type of disability:

Figure 7. Type of disabilities reported.



Sexual orientation

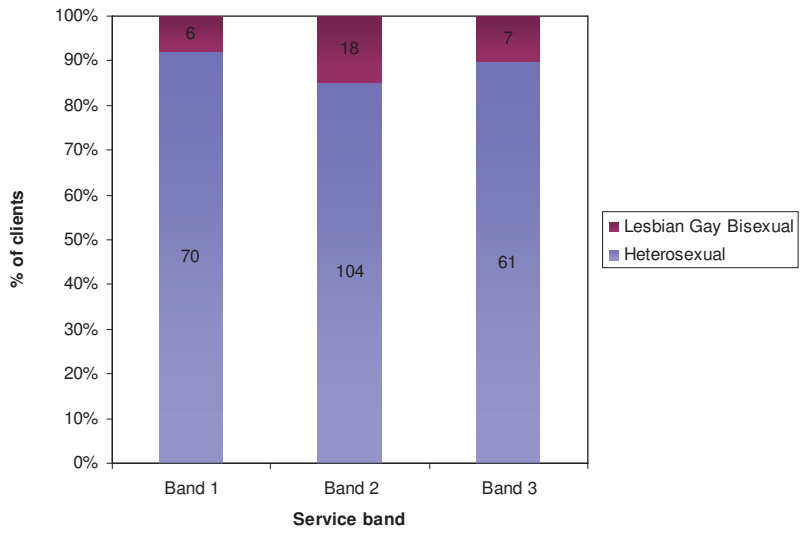
A total of 279 people (92%) provided information on their sexual orientation with 244 (88%) identifying as heterosexual, 10 (4%) as gay men, 5 (2%) as gay women/lesbian and 20 (7%) as bisexual.

There is no definitive research into the number of lesbian, gay, bisexual (LGB) people who live in Brighton & Hove and the recent 2011 Census did not include a question on sexual orientation. However, local estimates suggest that approximately 15-16% of the city's population are in lesbian, gay, bisexual or transgender groups. This is slightly higher than the homeless sample at 12% although it should be noted that this figure doesn't include transgender people.

Figure eight indicates the proportion of clients in bands 1-3 identifying as heterosexual or LGB out of those who provided a response.

[3] Ten countries joined the EU in 2004 and together these are known as A10 countries. These are Poland, Slovakia, the Czech Republic, Slovenia, Hungary, Latvia, Lithuania and Estonia, Malta and Cyprus.

Figure 8. Sexuality by service band.



Representativeness of the sample

As stated previously, the sample of homeless people who completed the questionnaire was not random and represented a convenience sample of service users. This means that it is particularly important to look at the demographics of the sample and compare with estimates of the local homeless population including service user statistics to determine if the sample appears to be different in any substantial way.

Data on homeless service users in Brighton & Hove has been presented in a recent Rough Sleeper and Single Homeless Needs Assessment and if these figures are taken as a proxy for the homeless population as a whole then comparisons suggest that the audit sample is generally a representative one.

For example, the audit sample had a similarly low number of people aged 16-17 and over 65 as those recorded as using band 2 or 3 accommodation in 2011/12 although there were slightly less people aged 18-45 in the audit (67%) compared to 18-44 in the service users (78%). The ethnic breakdown of the sample was very similar to the service user statistics for band 2 and 3 accommodation in 2011/12 while the proportion of lesbian, gay and bisexual people was slightly higher in bands 1-3 in the audit sample as was the proportion of females. The higher LGB proportions were due to a greater proportion of bisexual clients in the audit sample although a breakdown of these figures is not presented due to the small numbers involved. Overall the sample does not appear to be substantially different to recent local service user statistics.

The table in appendix two presents a comparison of the audit sample and service user statistics for Brighton & Hove in 2011/12.

Key Points

- The audit sample can be considered a representative sample of the homeless population in Brighton & Hove and therefore provides useful information on the health needs of this group.

- The sample suggests that the homeless population differs from the general population in Brighton & Hove in a number of important ways:
    - The sample was younger than the general population with fewer people aged 65 and over.
    - The sample was more ethnically diverse than the general population with only 72% of the sample identifying as White British compared to 80.5% of the general population.
    - There was a much larger proportion of males in the audit sample compared to the general population, 78% compared to 50%.
    - A quarter of the sample had been in prison at some point in their lives.
    - The sample had a similar proportion of LGB people as estimates for the general population in Brighton & Hove. This was 12% in the audit sample compared to 15-16% (including transgender people) in the general population.

Section 2: Access to health services

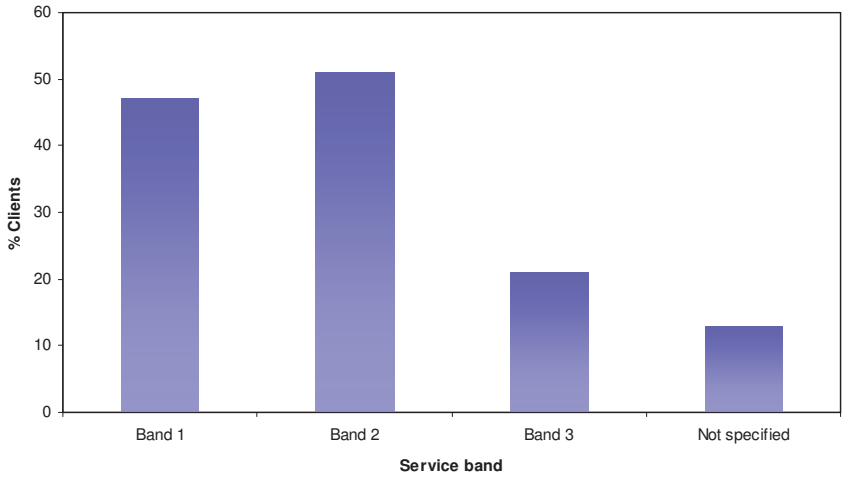
Registration with health services

The findings showed that there was a high level of GP registration with 279 (92%) clients stating they were registered with a GP either temporarily or permanently (95% Confidence Interval: 88.9% to 95.1%). This is higher than the corresponding figure in the national homeless audit sample of 85%.

In Brighton & Hove Morley Street Homeless Health provide GP services to the homeless population and a small number of clients indicated that they are registered with both the Morley Street clinic and another GP. A small proportion of the sample (7%) also said that they had been refused registration to a GP or dentist in the last 12 months with reasons given including not having sufficient photo ID, due to violence and not accepting people on benefits (all less than five respondents per reason).

The proportion of people registered with Morley Street was similar in bands one and two (47% and 51% respectively) but lower in band three (23%) and people who didn't specify the service they were accessing (13%). The lower level of registration would be expected in band three as this accommodation is more geographically dispersed and suggests that clients with the highest level of need (i.e. bands one and two) are registered with the Morley Street practice.

Figure 9. Proportion of clients registered with Morley Street Practice by service band.



There was a much lower proportion of people (38%) who were registered with a dentist (95% CI: 32.5% to 43.5%). This finding reflected a recent study by Pathway[4] which found 44% of a sample of 158 homeless people in London in 2013. The study highlighted the difficulties faced by homeless people in accessing dental services and the need to raise awareness of the benefits of regular dental care including awareness of entitlement and practicalities of access among homeless people and services.

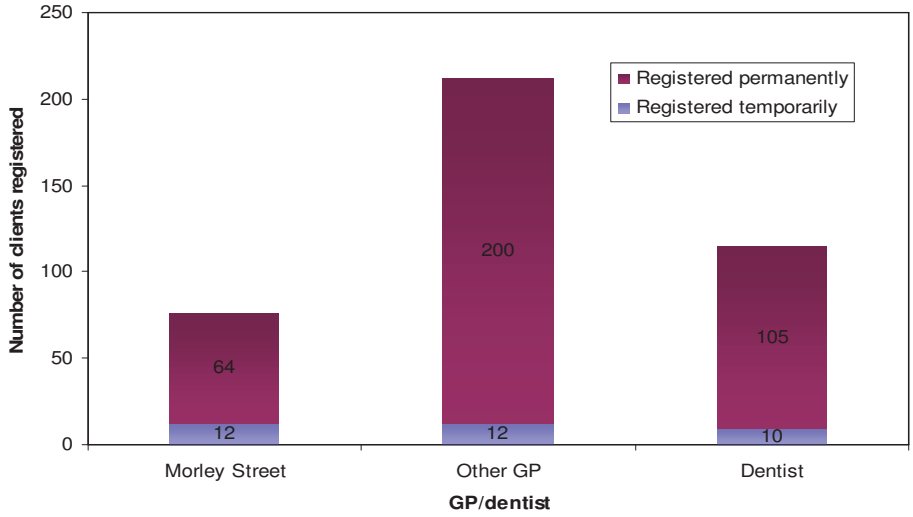
The proportion of clients registered permanently with a GP and a dentist varied widely between different homeless services from 100% of clients to 50% for GP

[4] http://www.pathway.org.uk/wp-content/uploads/2013/10/final-final-edh.pdf

registration and from 64% to 15% for dentist. Tables showing the proportion of clients registered for individual services is included in appendix four. Only services with a minimum of ten questionnaires providing responses to this question were included in these analyses.

The majority of GP and dentist registrations were permanent (92%).

Figure 10. Morley Street, 'other' GP and dentist registration.

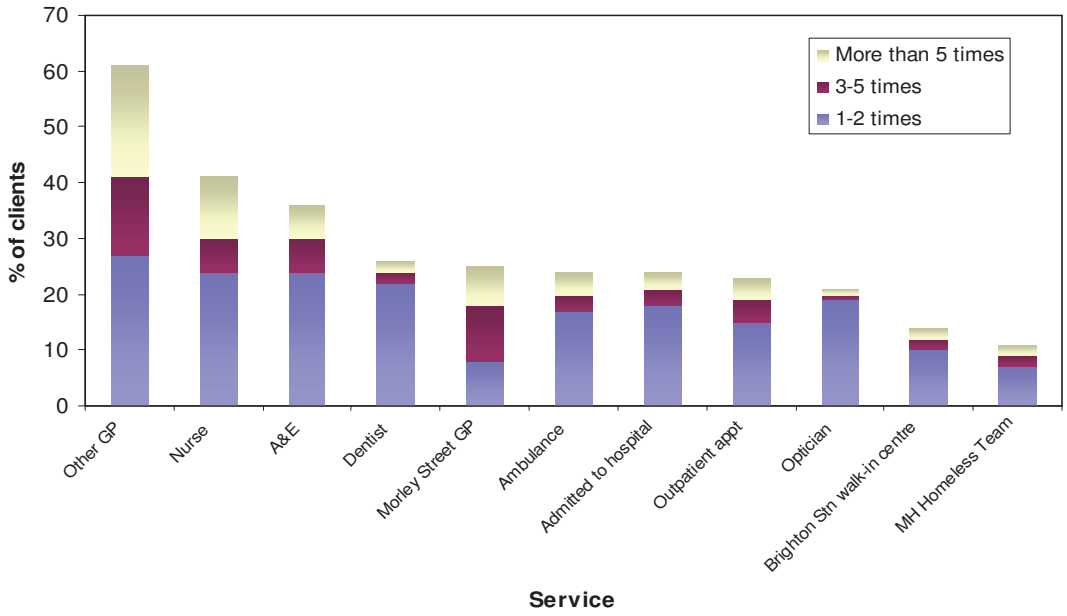


Use of health services

Figure 11 shows the proportion of clients who used health services 1-2 times, 3-5 times or more than five times in the last six months. The GP was the service most used with 61% having visited a GP other than Morley Street and a further 25% having visited Morley Street – 86% in total. The GP was also the service most likely to have been used multiple times with 59% of those who had visited a GP having done so three or more times.

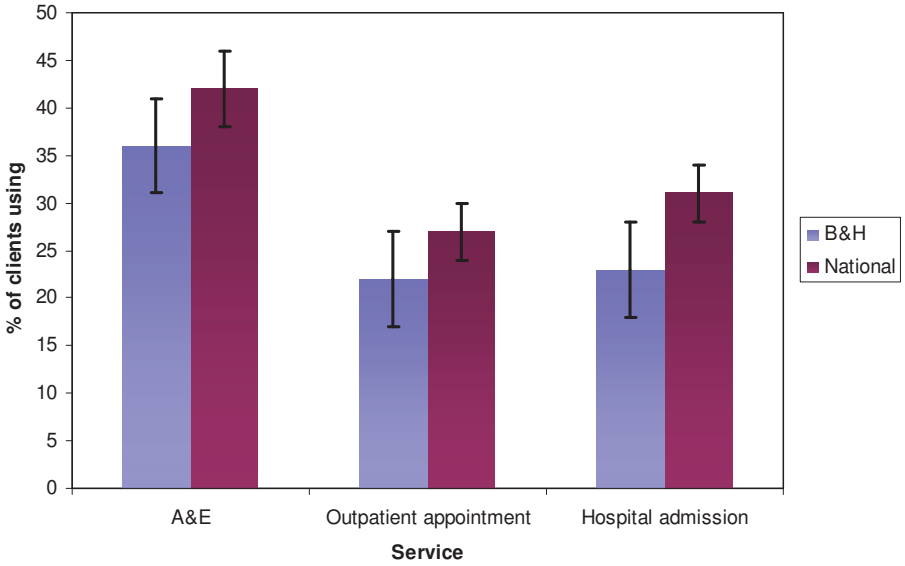
Service usage figures in the audit sample were considerably higher than for the general population. For example, over a 12 month period it is estimated that only 7% of the general population will have an inpatient hospital stay which compares to 25% of the audit sample who had been admitted to hospital at least once *in the last six months*. Furthermore, national data suggests that 13.5% of the general population attend A&E or an outpatient appointment in a three month period (the data does not distinguish between the two) which compares to 39% of the Brighton & Hove audit sample who had attended A&E or an outpatient appointment *in the last six months*.

Figure 11. Proportion of clients using services in the last 6 months.



The data also showed that clients in the Brighton & Hove audit were less likely to have used A&E, hospital outpatient appointments and have been admitted to hospital in the last six months compared to the national homeless audit sample although these differences were not statistically significant. The proportion of clients using key services in the last six months in Brighton & Hove and the national audit sample are displayed in figure 12.

Figure 12. Brighton & Hove and national audit comparison of service usage.



The clients in the audit who had been admitted to hospital in the past six months had a self-reported average length of stay of 3.2 days (95% CI: 2.3% to 4.2%) based on their most recent admission. This is higher than the figure for the national general population estimated by the Department of Health of 2.1

days. [5] However it is considerably lower than findings from the national homeless audit sample where an average length of stay of 7.2 days was observed and lower than the figure reported by a Department of Health study which found an average length of stay of 6.2 days for homeless people. [1]

Reasons for service use

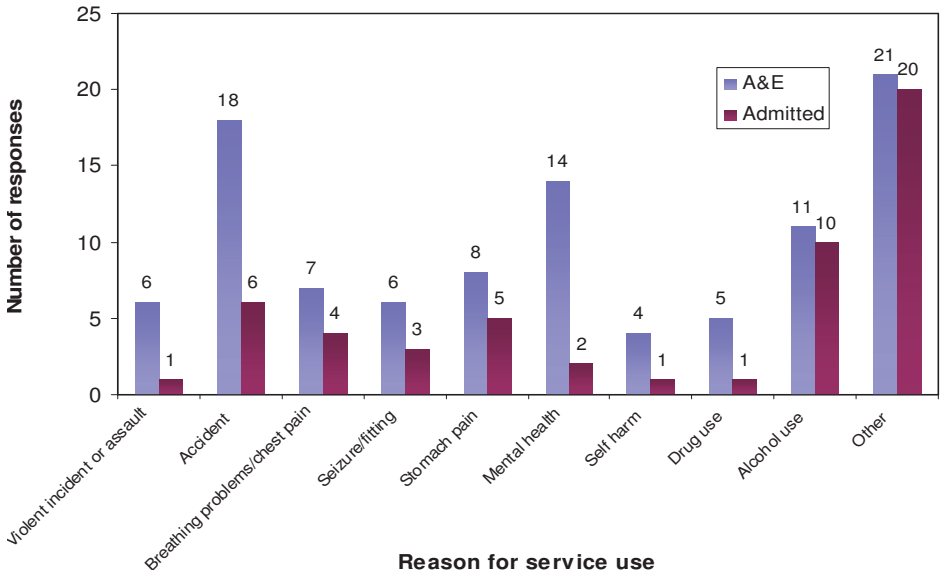
Out of 110 clients who had been to A&E in the last six months, the most common reasons given for the visit were accidents, mental health and alcohol use whereas out of 70 clients who had been admitted to hospital, the most common reasons given were alcohol use, accidents and stomach pains. Figure 13 displays these results.

Discharge planning

The Department of Health states that all acute hospitals should have admission and discharge policies ensuring homeless people are identified on admission and linked into services on discharge.[6] The audit found that out of the people who had been admitted to hospital in the past six months, 78% stated that hospital staff had ensured they had somewhere suitable to go when discharged.

This figure compares favourably with the national homeless audit where only 27% of clients stated they had help with their housing before they were discharged. This is likely to have been due to the Pathway project in Brighton & Hove which has been implemented by Brighton and Sussex University Hospitals NHS Trust and aims to provide somewhere to stay for every homeless person who attends hospital.

Figure 13. Reasons reported for A&E visits and hospital admissions.



[5] Healthcare for single homeless people, DH, 2010
[6] Discharge from hospital; pathway, process and practice, DH, 2003

Information about health services

Respondents were asked if they have been given information about health services they can use by their housing or homelessness project and 288 provided a response. Out of these, 242 stated that they had been given information (84%) and 210 stated that they had found it useful (87%).

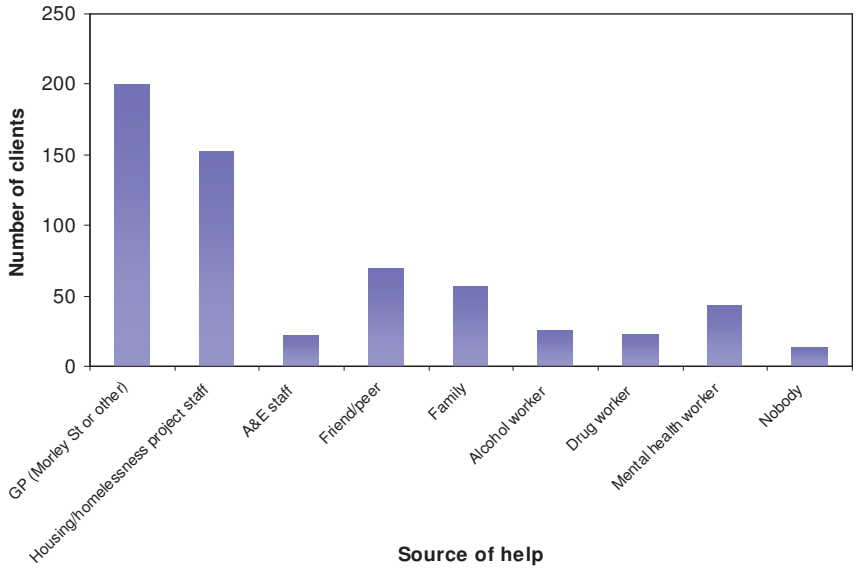
Clients were also asked who they thought helped them most with their health in general and the responses are displayed in figure 14 (multiple responses were possible). The GP was the most common response.

Clients who are registered with the Morley Street GP Practice were somewhat more likely than those registered with other GPs to identify their GP as a useful source of help when it comes to their health (76% compared to 68%). However, this was not a statistically significant difference.

Table 2. Proportion agree "GP helps most with my health" by Morley St / other GP registration

	% agree	Count	Total	Significance
Registered at Morley Street	76%	52	68	NS
Registered at another GP Practice	68%	136	203	NS
Total	69%	188	271	---

Figure 14. Individuals reported to help most with clients' health

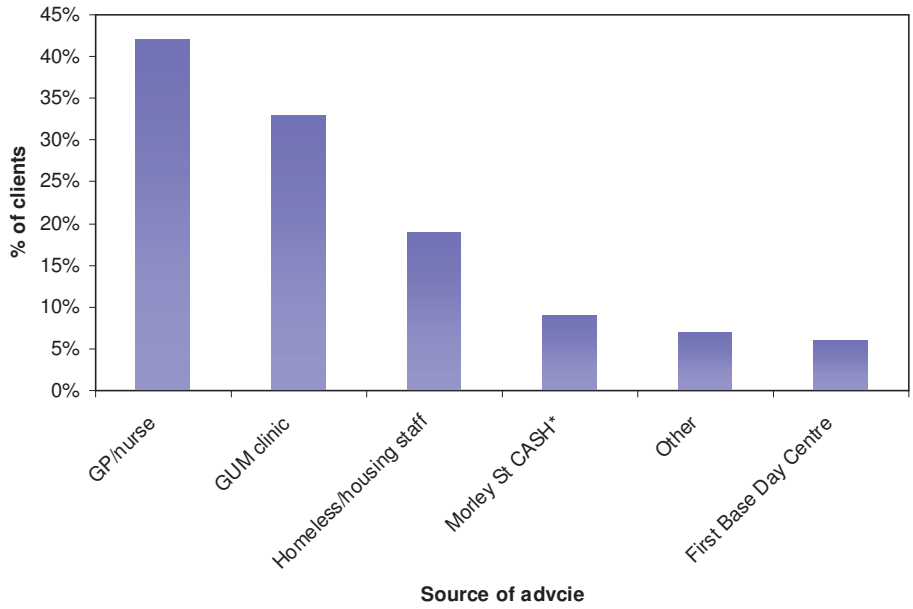


Sexual health advice

Clients were also asked if they knew where to access advice about sexual health and there was a high level of awareness reported with 87% of 284 people who responded stating that they did know. Again, the GP was the most

common response with 42% identifying this as the place they would go for this advice. Figure 15 shows the sources of advice clients indicated they would go to.

Figure 15. Source of sexual health advice identified.



**** CASH: Contraception Advice and Sexual Health clinic at Morley Street.***

Population subgroups and access to services

In addition to analysing the sample as a whole, reported use of A&E, ambulance and admission to hospital in the last six months were analysed within various subgroups of the sample. Chi Squared tests were performed to determine if the results in each sub-group were significantly different from the rest of the sample and key findings include:

- White British clients had a higher self-reported use of all three of these services in the last six months compared to those in BME groups although none of these findings were statistically significant which may be due to the relatively small number of BME clients in the sample.

- Females had higher self-reported use of A&E and ambulance in the last six months compared to males, although only the findings for ambulance use was statistically significant. Again, this may be due to the relatively small number of females in the sample.

- Clients aged 46 years and over had the lowest self-reported use of all three services and the A&E result was statistically significant.

- Clients aged 26-45 years had the highest rates of A&E use and admission to hospital and the second of these findings was statistically significant.

- Lesbian, gay and bisexual clients had higher self-reported use of all three services but none of these were significantly different to the rest of the sample and again this may be due to the relatively small number of LGB clients in the sample.

Full results tables for these analyses are presented in tables A1, A2 and A3 in appendix three.

Key Points

- The audit found a high rate of GP registration in the homeless population (92%) with about a quarter of these registrations at the Morley Street Practice.

- The proportion registered with a dentist was much lower at 38%.

- GP and dentist registration levels vary considerably between different homeless services.

- Use of services including A&E and hospital inpatient and outpatient services was higher in the audit sample than estimates for the general population.

- The self-reported hospital length of stay was 3.2 days which is higher than estimates for the general population but considerably lower than estimates for other homeless populations including the national homeless audit which found an average of 7.2 days.

- A large proportion of those that had been admitted to hospital stated that hospital staff had found somewhere suitable for them to go after discharge (78%). This was considerably higher than the national audit and is likely to represent a positive impact of the local Pathway project.

Recommendations

1. Target interventions to increase rates of registration with GPs and dentists at services with the lowest levels.

2. Increase rates of dental registration and consider evidence and recommendations from recent Pathway research in addition to this audit to improve access to dental services for the homeless population.

3. NHS Commissioners provide advice to GPs to ensure that homeless people have equitable access to primary care (including advice on photo ID).

4. NHS Commissioners to consider the evidence that discharge planning is working relatively effectively (probably as a result of the Pathway service) in the development of future services. Consider how this can be improved further.

5. NHS commissioners and Brighton & Sussex University Hospitals NHS Trust to consider the proportion of A&E visits by homeless people that are genuinely required and whether service redesign could reduce inappropriate use of hospital services.

Section 3: Health behaviours

Information on the health status and behaviours of the general population in Brighton & Hove is collected in a local survey called Health Counts. In Health Counts 2012 a random sample of 2.5% of the population aged 18 years or over drawn from GP registration database was surveyed with a response rate of 45%. This survey provides data for comparison with the homeless health audit results.

Smoking

In the Brighton & Hove audit, 219 clients or 73% (95% CI: 68.0% to 78.0%) indicated that they smoke. According to Health Counts these figures are far higher than in the general population in Brighton & Hove where 23% smoke and also nationally where only 20% of people smoke. The national homeless audit sample had a higher smoking prevalence than the Brighton & Hove audit at 77%. Appendix four gives the smoking prevalence reported in each individual participating service.

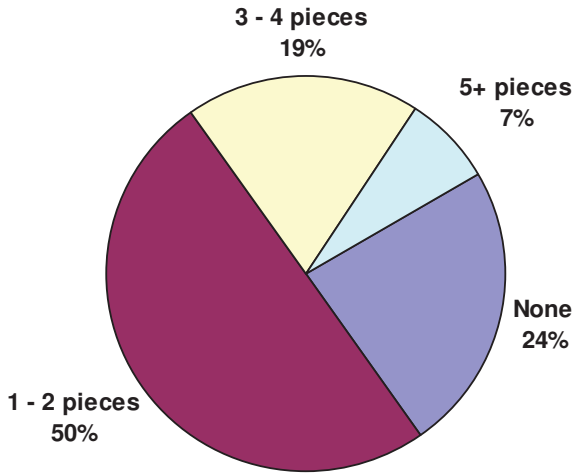
Out of the smokers in the Brighton & Hove audit, 56% had been offered help to stop (which is similar to the national audit figure of 55%) and 46% stated that they would like to stop smoking.

Diet

The audit data also highlighted the poor diets many homeless people have with 36% (95% CI: 30.6% to 41.4%) stating that on average they do not eat two meals a day. Only 7% of the sample (95% CI: 4.1% to 9.9%) stated that they eat five portions of fruit and vegetables a day and 24% (95% CI: 19.1% to 28.9%) do not eat any at all. According to the Health Counts survey, the proportion of the general population in Brighton & Hove eating five portions a day is far higher at 52%.

The findings are similar to the figures from the national homeless audit which also found 7% eating five portions a day and about one third not eating any at all.

Figure 16. Fruit and vegetable consumption in Brighton & Hove homeless sample



Physical activity

A total of 146 clients (51%) stated that they exercise at least twice a week (95%CI: 45.4% to 56.6%). Out of those that stated they do not exercise twice a week, 62% stated that they would like to. Again, appendix four gives the proportion of clients exercising two times a week in each individual participating service.

Population subgroups and health behaviours

Key findings from the subgroup analyses include:

- None of the subgroups analysed were significantly more or less likely to eat two meals a day compared to the rest of the sample. However, this may be due to fairly small numbers in some of the subgroups it is worth noting that:
    - a higher proportion of BME clients ate two meals a day compared to White British clients.
    - a higher proportion of clients aged 46 years or older ate two meals a day compared to younger age groups.
    - a higher proportion of clients living in supported accommodation ate two meals a day compared to those sleeping rough or in hostels.
- White British clients and those living in hostels were both significantly more likely to smoke than the rest of the sample.
- it is also worth noting that:
    - a higher proportion of males smoked compared to females
    - a lower proportion of 16-25 year olds smoked compared to older age groups.

Full results tables for these analyses are presented in tables A4 and A5 in appendix three.

Key Points

- The audit found a very high smoking prevalence at 73%. This is considerably higher than the general population in Brighton & Hove at 23%.
- Almost half of smokers stated that they would like to stop but only 56% said that they had been offered help to do so.

- A third of the sample were not eating two meals a day and only 7% reported eating 5 portions of fruit and vegetables which is considerably lower than the general population in Brighton & Hove at 52%.

- Only half of the sample reported exercising two or more times a week while 62% of those not exercising two or more times reported that they would like to.

- There was considerable variation in smoking prevalence, fruit and vegetable consumption, eating two meals a day and exercise levels between clients accessing different homeless services.

- Little variation in health behaviours was found between population groups although White British clients were significantly less likely to smoke as were those living in hostels.

Recommendations

1. Review provision of Stop Smoking Services for the homeless population in Brighton & Hove. All smokers should be encouraged and offered support to quit.

2. Ensure homeless people are included in healthy eating and physical activity programmes and that they are meeting their needs.

3. Target these health promotion programmes at services identified with the highest levels of need to achieve maximum impact.

4. Providers and commissioners to note the findings of low levels of exercise and poor diet relating to fruit and vegetable consumption and eating two meals a day, and ensure these are prioritised.

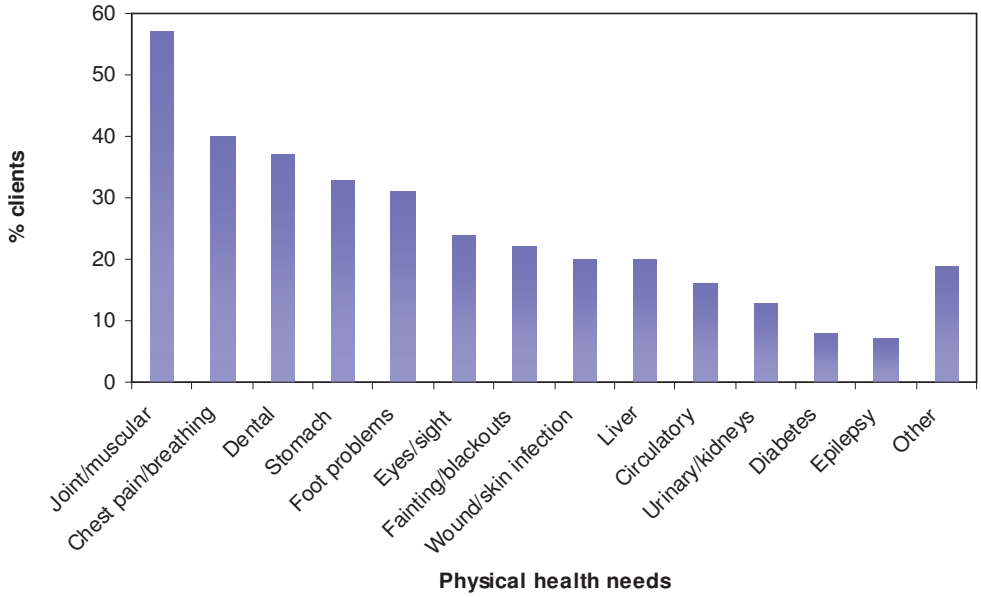
Section 4: Health and wellbeing

Physical health

In Brighton & Hove, 84% of clients stated that they have at least one physical health problem (95% CI: 79.9% to 88.1%) and 33% of these indicated that they had had it for 12 months or longer. This is similar to the national homeless audit where it was reported that 82% of clients had one or more physical health problem. The range of conditions reported are displayed in figure 17.

Out of the 248 clients who had a physical health need, 25 (10%) stated that they were not currently receiving any support or treatment to help with the problem but would like some and 74 (29%) stated that they were receiving help but still wanted more.

Figure 17. Physical health needs reported (figures exceed 100% as respondents could select multiple needs)



Only half of the clients who reported dental health problems were registered with a dentist but there was no statistically significant difference between those registered and not registered with a dentist in terms of whether they reported dental problems.

Table 3. Proportion reporting dental health problems by registration with a dentist

	%	Count	Total	Significance
Registered with a dentist	42%	43	103	NS
Not registered with a dentist	34%	43	127	NS
Total	37%	86	230	---

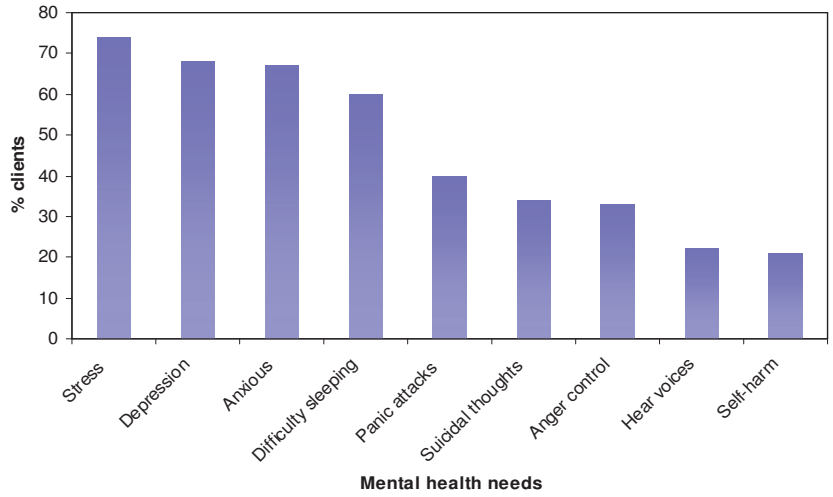
Again, appendix four gives the proportion of clients reporting a physical health need in each individual participating service.

Mental health

In Brighton & Hove, 85% of clients stated that they have at least one mental health issue (95% CI: 81.0% to 89.0%) while it is estimated that only one in six adults nationally will have a mental health problem at any time.[7] The figure for the Brighton & Hove audit sample was also higher than the national homeless audit figure of 72% of clients stating they had at least one mental health issue.

Out of those who had a mental health issue, 73% indicated that they had had it for 12 months or longer. The range of mental health issues reported is displayed in figure 18.

Figure 18. Mental health needs reported (figures exceed 100% as respondents could select multiple needs)

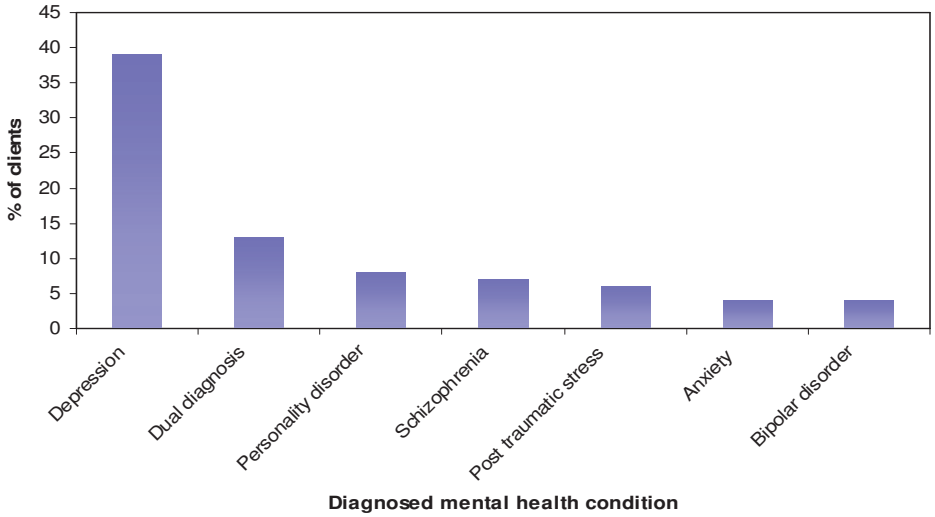


Despite the high proportion of clients who stated they had a mental health issue, only 53% said they had been diagnosed by a health professional with a mental health condition. This figure compares to 12.7% of the adult population in Brighton & Hove who are on GP registers for common mental health problems and 11.7% nationally. As stated previously, homeless people with severe mental health conditions are likely to be accessing specific mental health services and therefore would not be represented in this sample. Figure 19 displays the diagnosed mental health conditions reported.

Out of the 251 clients who had a mental health issue, 38 (15%) stated that they were not currently receiving any support or treatment to help with the problem but that they would like some and 55 (21%) stated that they were receiving help but still wanted more.

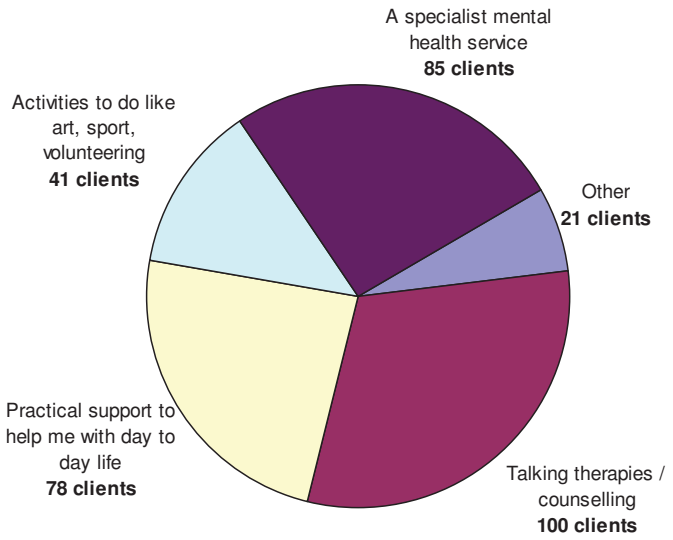
[7] No Health Without Mental Health, DH, 2011

Figure 19. Diagnosed mental health conditions reported



Clients were also asked what kind of support helps, or would help, them with their mental health needs) and the responses are presented in figure 20.

Figure 20. Type of support clients identified as currently helping or would help them.



Population subgroups and health and wellbeing

Key findings from the subgroup analyses include:

- 16 - 25 year old clients were significantly less likely to have either a physical health problem or a diagnosed mental health condition compared to the rest of the sample.

- Clients aged 46 years or over were significantly more likely to have a physical health problem compared to the rest of the sample while clients aged 26 - 45 years were significantly more likely to have a mental health condition compared to the rest of the sample.

- LGB clients were significantly more likely to have a physical health problem and a diagnosed mental health problem compared to the rest of the sample.

- Although it was not a statistically significant finding, it is also worth noting that a higher proportion of females had a physical health problem than males.

Full results tables for these analyses are presented in tables A6 and A7 in appendix three.

Key Points

- The audit found high levels of both physical health and mental health needs with 84% and 85% reporting at least one of these needs respectively.

- The audit found that many clients felt these needs were not being adequately met. Over a third of the clients who had at least one physical health need and about a third of the clients who had at least one mental health need reported that they would like more support for it.

- Depression was the most common diagnosed mental health condition reported and the second most common mental health difficulty experienced after stress.

- Talking therapies/counselling was the most common type of support identified as most useful for dealing with mental health problems.

- LGB clients were significantly more likely to have a physical health problem and a diagnosed mental health problem compared to the rest of the sample.

Recommendations

1. Work with homeless health services in the City to ensure they are meeting the physical and mental health needs of the homeless population.

2. Ensure training for staff in hostels and other homeless services in identifying mental and physical health needs and signposting to appropriate services.

3. Investigate whether current projects are addressing the high levels of physical and mental health needs in the LGB homeless population.

Section 5: Substance misuse

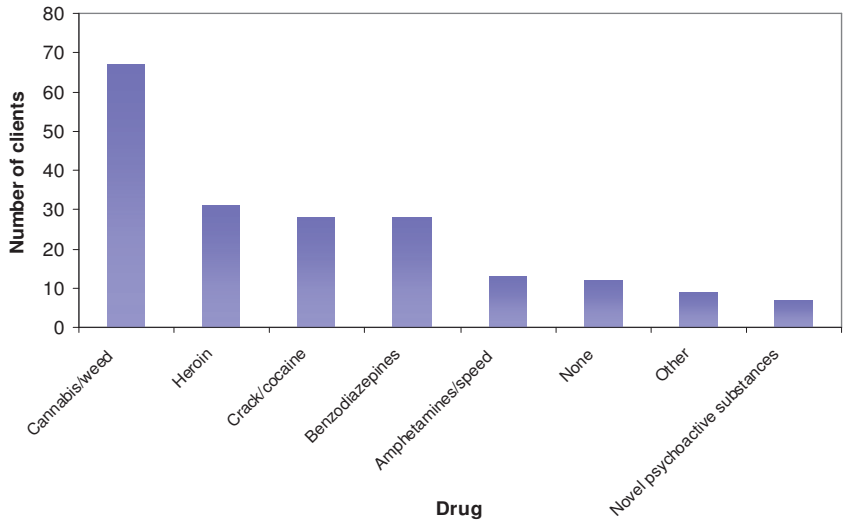
Drug use

In the Brighton & Hove audit, 40% of clients indicated that they currently take drugs or are recovering from a drug problem (95%CI: 34.5% to 45.3%). This is considerably higher than the general population where 9% of 16-59 year olds report having taken one or more illicit drug in the last year (2011/12).

The Brighton & Hove figure is lower than the national homeless audit sample where 52% of clients stated they are currently taking drugs or are recovering from a drug problem.

Figure 21 shows drugs reported to have been used in the last month (not including prescribed drugs) and shows that cannabis was the most commonly used drug in the audit sample, reported by 67 clients (22%), followed by heroin, reported by 31 clients (10%). Participants could indicate use of more than one substance.

Figure 21. Type of drug use reported



Eighteen clients also stated that they currently inject drugs (6%), although 64% of the sample declined to answer this question. Out of these people, less than five stated that they usually or sometimes share their injecting equipment with others while 16 of the 18 clients stated that they knew about a needle exchange scheme they could use.

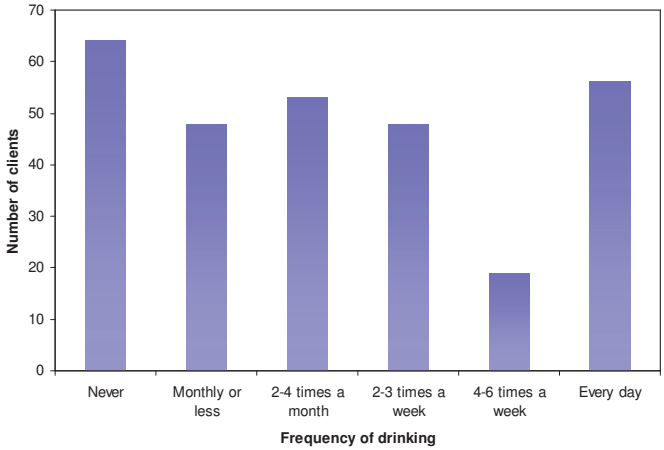
Out of the 114 clients who stated that they take drugs, 55 (48%) indicated that they are receiving help to address their drug use and most felt that this met their needs. Despite this, 21% of clients taking drugs stated that they would still like more help.

Alcohol use

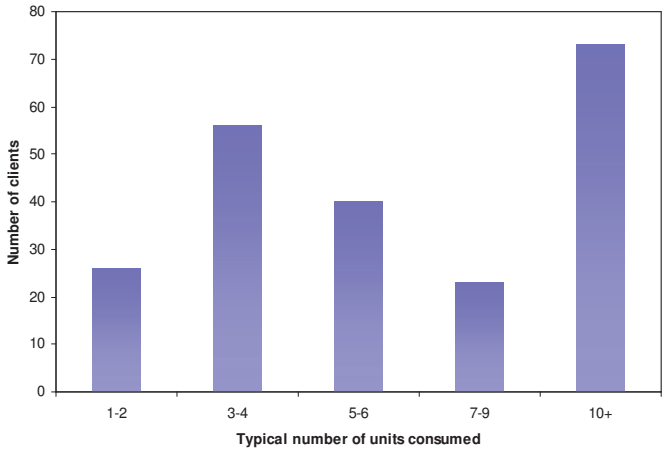
In the Brighton & Hove audit, 26% of clients indicated that they drink four or more times a week (95% CI: 21.1% to 31.0%) which is the frequency considered harmful by the Department of Health.

Out of the clients that stated they drink four or more times a week, 59% said they consume 10 or more units each time they drink which suggests very harmful levels of alcohol consumption. Overall 32% of clients stated that they have or are recovering from an alcohol problem. Figures 22 and 23 display the frequency and amount of alcohol consumption in the Brighton sample.

Figures 22. Frequency of alcohol consumption.



Figures 23. Typical number of units consumed in a session.



The proportion of clients in the national homeless audit who drank four or more times a week was slightly lower than in Brighton & Hove at 20% and considerably less of these said that they consume 10 units or more on a typical drinking day.

Out of the 95 clients who stated that they have or are recovering from an alcohol problem, 57 (60%) indicated that they are receiving help to address it and most felt that this met their needs. However, 36 (38%) stated that they would still like more help.

Population subgroups and substance misuse

Key findings from the subgroup analyses include:

- White British clients were significantly more likely than BME clients to be currently taking drugs or recovering from a problem compared to the rest of the sample.

- Clients aged 46 years and over were significantly less likely to be taking drugs or recovering compared to the rest of the sample, while clients aged 16 - 25 years were significantly less likely to be drinking four or more time a week and 26-45 year olds significantly more likely.

- Clients in a hostel were significantly more likely to be taking drugs than the rest of the sample and those in supported accommodation significantly less likely.

Full results tables for these analyses are presented in tables A8 and A9 in appendix three.

Key Points

- The audit found high levels of drug use with 40% of clients currently taking drugs or recovering from a drug problem although this was less than found nationally.

- Cannabis was the most common drug used (22% of the sample) followed by heroin (10% of the sample). Six percent of the sample also reported that they currently inject drugs.

- About a fifth of those taking drugs or recovering stated that they would like to receive more help with their problem.

- One third of the sample stated that they have or are recovering from an alcohol problem and over a third of these stated they would like to receive more help with it.

- White British people were significantly more likely to take drugs or be recovering from a drug problem than BME people while those aged over 45 years were significantly less likely than younger age groups.

- Clients in a hostel were significantly more likely to be taking drugs than the rest of the sample. This may be a consequence of the characteristic of the population sampled with clients in band 2 potentially less likely to have achieved recovery/abstinence.

Recommendations

1. Share audit findings with the local Drug and Alcohol service commissioners and the Drug and Alcohol Action Team (DAAT) for their consideration to support re-commissioning.

2. Ensure provision of stop smoking services for the homeless population adequately incorporates cannabis use in addition to regular cigarettes.

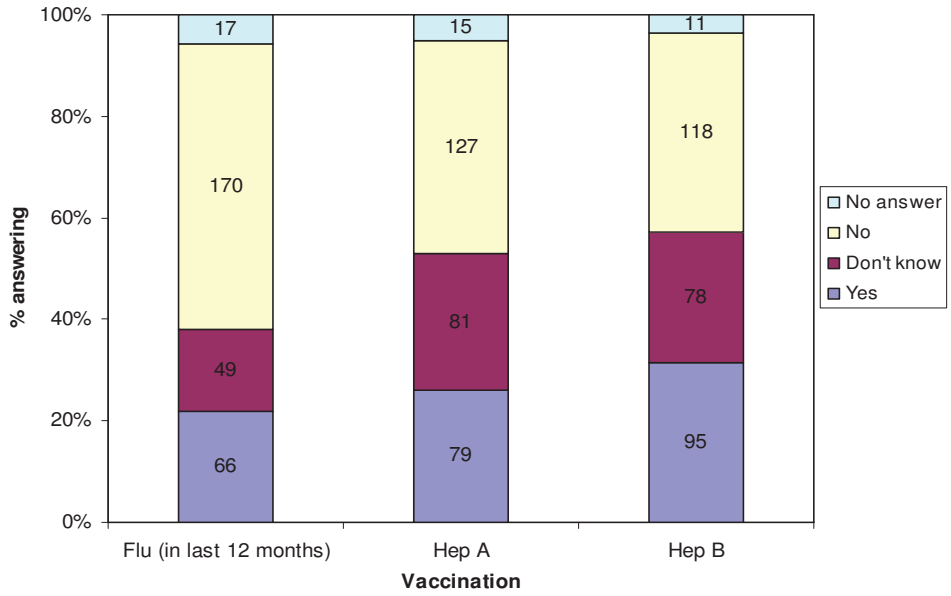
3. There was a good level of awareness of local needle exchange services among injecting drug users (IDUs) and relevant services should ensure this is maintained.

Section 6: Screening and immunisations

Vaccinations

Clients completing the audit were asked about their history of vaccination for hepatitis A, B and flu and figure 24 displays the responses. No data is available from the national homeless audit for comparison on this question.

Figure 24. Flu, hep A and hep B vaccination status.



Hep A, B and flu vaccines are not specifically recommended for homeless people. However there are a number of groups that are recommended for these vaccines that are represented in the homeless population.

Flu: The flu vaccine is recommended, and provided free of charge, for people with a long term health condition who are at risk of serious complications from the illness. While there is not a definitive list of these conditions and clinical decisions are made on a case by case basis, the NHS Choices website recommends that people with a number of conditions should be offered a vaccine.[8] These include liver conditions, kidney conditions, diabetes and HIV. People aged 65 years and over are also eligible for a free flu vaccine. Table 10 gives the proportion of clients vaccinated in some of these key groups and suggests that although more people in each of these groups are receiving the vaccine than the sample as a whole, many are still going unvaccinated placing them at risk of serious complications from the virus.

Table 4. Proportion vaccinated in key risk groups: flu

Vaccine indicator	% vaccinated	Count	Total
Aged 65+	50%	5	10
Liver condition	30%	15	50
Diabetes	45%	9	20
HIV+	38%	5	13
All respondents	22%	66	302

[8] http://www.nhs.uk/conditions/vaccinations/pages/who-should-have-flu-vaccine.aspx

Hepatitis A: Hepatitis A vaccine is recommended for IDUs and people with chronic Hep B or C infection and milder forms of liver disease.[9] Table 5 gives the proportion of clients vaccinated in these groups and again suggests that many are still going unvaccinated placing them at risk of infection.

Table 5. *Proportion vaccinated in key risk groups: Hep A*

Vaccine indicator	% vaccinated	Count	Total
Injecting drug user	33%	6	18
Liver condition	40%	21	53
All respondents	26%	79	302

Hepatitis B: Hepatitis B vaccine is also recommended for IDUs and people with any form of liver disease. [10] Table 6 gives the proportion of clients vaccinated in these groups and again suggests that many are still going unvaccinated placing them at risk of infection.

Table 6. *Proportion vaccinated in key risk groups: Hep B*

Vaccine indicator	% vaccinated	Count	Total
Injecting drug user	33%	6	18
Liver condition	43%	23	53
All respondents	31%	95	302

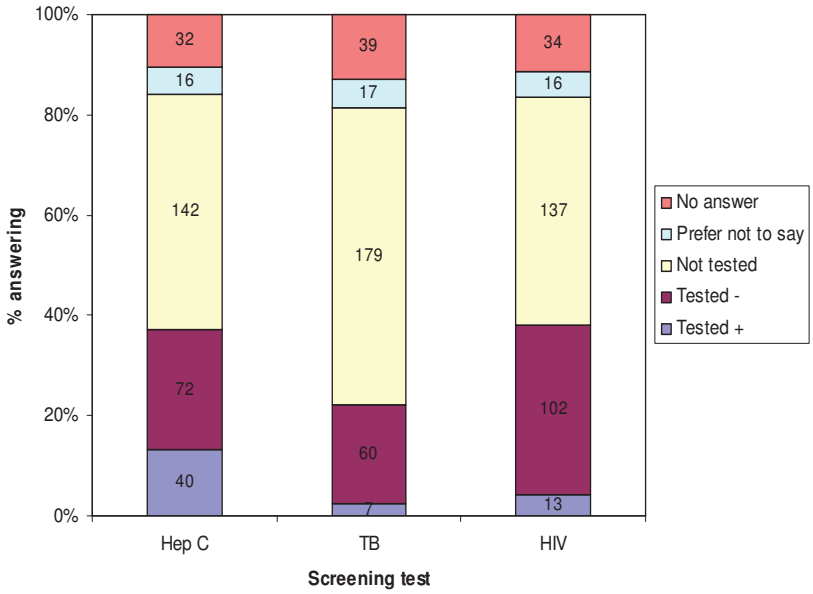
Caution should be applied when interpreting the figures in tables 4-6 as the numbers in some of the groups are small meaning formal statistical analysis was not possible and the health needs are self-reported and may not indicate the need for a vaccination to a health professional. It is also important to note that there is no information available on how many clients had been offered vaccinations which may be considerably higher than the number accepting and receiving them.

[9] http://www.nhs.uk/Conditions/Hepatitis-A/Pages/Vaccination.aspx
[10] http://www.nhs.uk/Conditions/vaccinations/Pages/hepatitis-b-vaccine.aspx

Screening

Clients completing the audit were asked about their history of screening for hepatitis C, TB and HIV and figure 25 displays the responses. Again, no data is available from the national homeless audit for comparison on this question.

Figure 25. Hep C, TB and HIV screening status.



Some people who reported that they had tested positive for Hep C, TB and HIV stated that they were not offered treatment although this is not a validated finding.

TB: National Institute for Health and Clinical Excellence (NICE) guidance for the "*Clinical diagnosis and management of tuberculosis, and measures for its prevention and control*" state that:

> *Active case finding should be carried out among street homeless people (including those using direct access hostels for the homeless) by chest X-ray screening on an opportunistic and/or symptomatic basis. Simple incentives for attending, such as hot drinks and snacks, should be considered.*

Only 67 (22%) respondents stated that they had ever been tested for TB which may suggest that this guideline is not being implemented fully in Brighton & Hove. However it should be noted that none of the hostels in the audit are open access and the sample included people living in supported accommodation which are not included under these guidelines.

Hepatitis C: NICE guidelines recommend testing for hepatitis C for anyone who has ever injected drugs and anyone living in a hostel for the homeless or sleeping on the streets.[11] Table 7 gives the proportion of clients tested for hepatitis C in these groups in the audit sample and suggests that while testing

[11] http://publications.nice.org.uk/hepatitis-b-and-c-ways-to-promote-and-offer-testing-to-people-at-increased-risk-of-infection-ph43/recommendations#whose-health-will-benefit

of IDUs is quite high, those in hostels and rough sleeping are not being routinely tested.

Table 7. Proportion tested for hepatitis C			
Testing group	**% tested**	**Count**	**Total**
Injecting drug user	78%	14	18
Rough sleepers and hostel dwellers	44%	62	142
All respondents	37%	112	302

HIV: The British HIV Association (BHIVA) guidelines for HIV testing[12] recommend offering testing to all patients reporting a history of injecting drug use. Out of the 18 IDUs in the sample, 12 had been tested for HIV (67%).

Again it is important to note that there is no information available on how many clients had been offered testing for these infections which may be considerably higher than the number accepting and receiving them.

Sexual health: Clients were asked if they had had a sexual health check in the last 12 months and 34% of 274 clients who answered the question stated that they had. Female clients were also asked whether they had received a cervical smear in the last three years and 23 out of 65 (35%) women in the sample stated that they had had a smear test.

Key Points

- Despite higher vaccination rates in key risk groups for flu, hepatitis A and B than the sample as a whole, 50% or more of the clients in these risk groups were unvaccinated.
- Some people who reported that they had tested positive for Hep C, TB and HIV stated that they were not offered treatment although this is not a validated finding.
- Only 22% of the sample reported that they had been tested for TB.
- The proportion of IDUs who had been tested for hepatitis C and HIV was high at 67% and 78% respectively but this still means that substantial numbers had not been tested.

Recommendations

1. Ensure all homeless people in risk groups are offered the appropriate vaccinations and screening tests. Consider providing these at drop-in sessions where health assessments are conducted. This is particularly important for TB which all rough sleepers and open access hostel dwellers should be offered testing for.
2. Ensure that local pathways for TB, HIV and hepatitis C are working effectively.

[12] http://www.bhiva.org/documents/Guidelines/Testing/GlinesHIVTest08.pdf

Summary of recommendations

The following recommendations have been made throughout the document.

Section 2: Access to health services

1. Target interventions to increase rates of registration with GPs and dentists at services with the lowest levels.

2. Increase rates of dental registration and consider evidence and recommendations from recent Pathway research in addition to this audit to improve access to dental services for the homeless population.

3. NHS commissioners to provide advice to GPs to ensure that homeless people have equitable access to primary care (including advice on photo ID).

4. NHS commissioners to consider the evidence that discharge planning is working relatively effectively (probably as a result of the Pathway service) in the development of future services. Consider how this can be improved further.

5. NHS commissioners and Brighton & Sussex University Hospitals NHS Trust to consider the proportion of A&E visits by homeless people that are genuinely required and whether service redesign could reduce inappropriate use of hospital services.

Section 3: Health behaviours

1. Review provision of Stop Smoking Services for the homeless population in Brighton & Hove. All smokers should be encouraged and offered support to quit.

2. Ensure homeless people are included in healthy eating and physical activity programmes and that they are meeting their needs.

3. Target these health promotion programmes at services identified with the highest levels of need to achieve maximum impact.

4. Providers and commissioners to note the findings of low levels of exercise and poor diet relating to fruit and vegetable consumption and eating two meals a day, and ensure these are prioritised.

Section 4: Health and wellbeing

1. Work with homeless health services in the City to ensure they are meeting the physical and mental health needs of the homeless population.

2. Ensure training for staff in hostels and other homeless services in identifying mental and physical health needs and signposting to appropriate services.

3. Investigate whether current projects are addressing the high levels of physical and mental health needs in the LGB homeless population.

Section 5: Substance misuse

1. Share audit findings with the local Drug and Alcohol service commissioners and the Drug and Alcohol Action Team (DAAT) for their consideration to support re-commissioning.

2. Ensure provision of stop smoking services for the homeless population adequately incorporates cannabis use in addition to regular cigarettes.

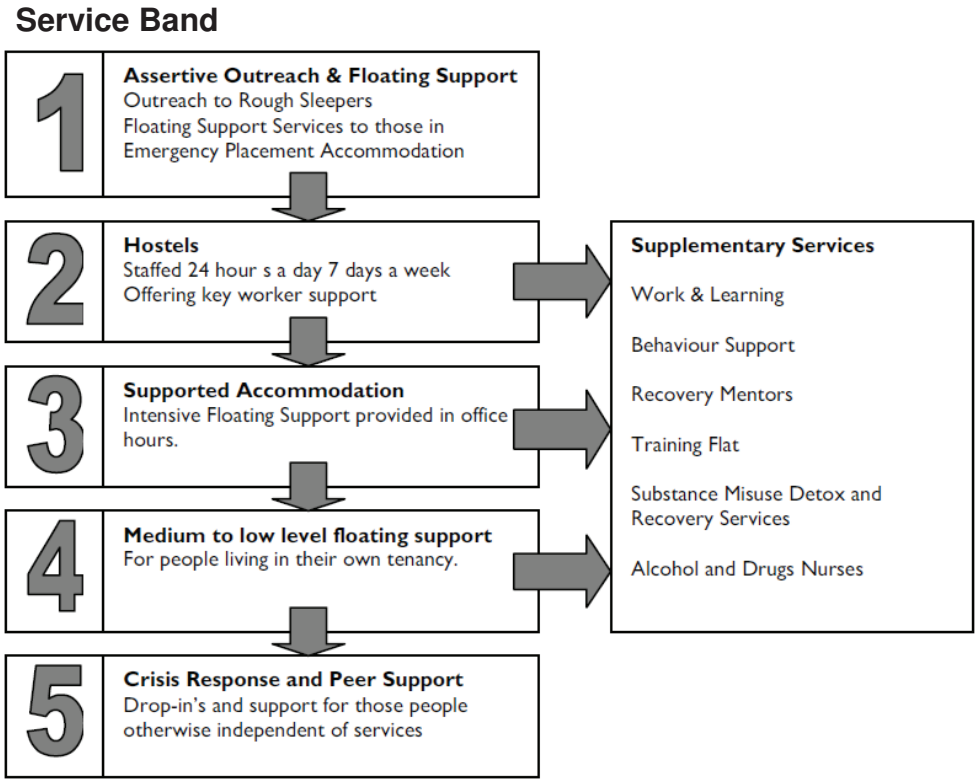
3. There was a good level of awareness of local needle exchange services among injecting drug users (IDUs) and relevant services should ensure this is maintained.

Section 6: Screening and immunisations

1. Ensure all homeless people in risk groups are offered the appropriate vaccinations and screening tests. Consider providing these at drop-in sessions where health assessments are conducted. This is particularly important for TB which all rough sleepers and open access hostel dwellers should be offered testing for.

2. Ensure that local pathways for TB, HIV and hepatitis C are working effectively.

Appendix 1. *Integrated support pathway*



Appendix 2. *Comparison of audit sample with service user statistics*

Table 8. Demographics of audit sample and band 1, 2 and 3 service users for 2011/12.

	Band 1 services		Band 2 services		Band 3 services	
	Audit sample	**2013 needs assessment figures***	**Audit sample**	**2013 needs assessment figures**	**Audit sample**	**2013 needs assessment figures**
Age						
16-17	--	--	3%	0%	0%	0%
18-25	--	--	17%	22%	18%	26%
26-34**	--	--	22%	24%	21%	20%
35-44**	--	--	32%	32%	32%	33%
45-64**	--	--	24%	21%	29%	21%
65+**	--	--	2%	1%	4%	0%
Ethnicity						
White British	--	--	82%	85%	79%	82%
BME	--	--	18%	15%	21%	18%
Gender						
Male	85%	89%	82%	83%	74%	80%
Female	15%	11%	18%	17%	26%	20%
Sexuality						
Heterosexual	88%	76%	83%	79%	90%	83%
LGB	8%	7%	14%	9%	8%	5%
Unsure / no answer	4%	17%	3%	12%	2%	12%

* Figures given for band 1 services are First Base Day Centre user statistics

** Caution is required when comparing age distributions due to different age bands used in the Homeless Audit questionnaire. Age bands are different by 1 year.

Appendix 3. *Subgroup analysis results tables*
Chi Squared tests were used to determine if each subgroup result is significantly different from the rest of the sample who answered the relevant questions. Not every client answered each question meaning the total varies. All results are based on statistical significance with a 95% confidence level. Results of these significance tests are denoted by:

- SigHigh: significantly higher than the rest of the sample
- NS: not significantly different to the rest of the sample
- SigLow: significantly lower than the rest of the sample

Table A1. *A&E use in the last six months by population group*

	% used A&E	Count	Total	Significance
Ethnicity				
White British	43%	84	196	NS
BME	30%	20	67	NS
Gender				
Male	37%	78	212	NS
Female	48%	30	62	NS
Age group				
16-25	46%	28	61	NS
26-45	51%	56	110	NS
46+	29%	25	85	SigLow
Sexual orientation				
Heterosexual	34%	84	244	NS
Lesbian, gay, bisexual	49%	17	35	NS
All respondents	**39%**	**110**	**280**	**--**

***Table A2**. Admitted to hospital in the last six months by population group*				
	% admitted to hospital	**Count**	**Total**	**Significance**
Ethnicity				
White British	24%	51	212	NS
BME	21%	15	72	NS
Gender				
Male	24%	54	228	NS
Female	24%	16	66	NS
Age group				
16-25	19%	12	64	NS
26-45	30%	42	142	SigHigh
46+	17%	16	90	NS
Sexual orientation				
Heterosexual	23%	56	244	NS
Lesbian, gay, bisexual	31%	11	35	NS
All respondents	**25%**	**70**	**283**	**--**

Table A3. *Used an ambulance in the last six months by population group*				
	% used ambulance	**Count**	**Total**	**Significance**
Ethnicity				
White British	26%	56	212	NS
BME	19%	14	72	NS
Gender				
Male	21%	48	228	SigLow
Female	36%	24	66	SigHigh
Age group				
16-25	28%	18	64	NS
26-45	27%	39	142	NS
46+	18%	16	90	NS
Sexual orientation				
Heterosexual	25%	60	244	NS
Lesbian, gay, bisexual	26%	9	35	NS
All respondents	**26%**	**73**	**276**	**--**

Table A4. *Eat two meals a day by population group*				
	% eat 2 meals	**Count**	**Total**	**Significance**
Ethnicity				
White British	58%	124	212	NS
BME	66%	57	87	NS
Gender				
Male	60%	137	228	NS
Female	62%	41	66	NS
Age group				
16-25	53%	34	64	NS
26-45	58%	82	142	NS
46+	70%	63	90	NS
Sexual orientation				
Heterosexual	61%	149	244	NS
Lesbian, gay, bisexual	54%	19	35	NS
Accommodation status				
Rough sleeping	56%	18	32	NS
Hostel	56%	71	126	NS
Supported accommodation	64%	59	92	NS
All respondents	**64%**	**183**	**285**	**--**

Table A5. *Current smoker by population group*				
	% smoke	**Count**	**Total**	**Significance**
Ethnicity				
White British	76%	162	212	SigHigh
BME	63%	55	87	SigLow
Gender				
Male	74%	169	228	NS
Female	64%	42	66	NS
Age group				
16-25	64%	41	64	NS
26-45	75%	106	142	NS
46+	74%	67	90	NS
Sexual orientation				
Heterosexual	74%	180	244	NS
Lesbian, gay, bisexual	69%	24	35	NS
Accommodation status				
Rough sleeping	69%	22	32	NS
Hostel	80%	101	126	SigHigh
Supported accommodation	71%	65	92	NS
All respondents	**73%**	**219**	**299**	**--**

***Table A6**. At least one physical health problem by population group*				
	% have a physical health problem	**Count**	**Total**	**Significance**
Ethnicity				
White British	83%	176	212	NS
BME	80%	70	87	NS
Gender				
Male	80%	183	228	NS
Female	88%	58	66	NS
Age group				
16-25	71%	47	66	SigLow
26-45	81%	115	142	NS
46+	89%	80	90	SigHigh
Sexual orientation				
Heterosexual	81%	197	244	NS
Lesbian, gay, bisexual	94%	33	35	SigHigh
Accommodation status				
Rough sleeping	84%	27	32	NS
Hostel	83%	105	126	NS
Supported accommodation	88%	81	92	NS
All respondents	**84%**	**248**	**297**	**--**

Table A7. Diagnosed mental health condition by population group				
	% have a mental health problem	**Count**	**Total**	**Significance**
Ethnicity				
White British	50%	106	212	NS
BME	52%	45	87	NS
Gender				
Male	51%	117	228	NS
Female	50%	33	66	NS
Age group				
16-25	28%	18	64	SigLow
26-45	61%	86	142	SigHigh
46+	50%	45	90	NS
Sexual orientation				
Heterosexual	49%	119	244	NS
Lesbian, gay, bisexual	69%	24	35	SigHigh
Accommodation status				
Rough sleeping	38%	12	32	NS
Hostel	58%	73	126	SigHigh
Supported accommodation	50%	46	92	NS
All respondents	**53%**	**153**	**287**	**--**

***Table A8**. Take drugs or recovering from a drug problem by population group*				
	% take drugs/ recovering	**Count**	**Total**	**Significance**
Ethnicity				
White British	43%	91	212	SigHigh
BME	25%	22	87	SigLow
Gender				
Male	39%	90	228	NS
Female	30%	20	66	NS
Age group				
16-25	45%	29	64	NS
26-45	43%	61	142	NS
46+	23%	21	90	SigLow
Sexual orientation				
Heterosexual	39%	94	244	NS
Lesbian, gay, bisexual	37%	13	35	NS
Accommodation status				
Rough sleeping	28%	9	32	NS
Hostel	48%	61	126	SigHigh
Supported accommodation	29%	27	92	SigLow
All respondents	**40%**	**114**	**284**	**--**

***Table A9**. Drink more than 4 times per week by population group*				
	% drink 4 times or more	**Count**	**Total**	**Significance**
Ethnicity				
White British	26%	55	212	NS
BME	23%	20	87	NS
Gender				
Male	27%	62	228	NS
Female	17%	11	66	NS
Age group				
16-25	8%	5	64	SigLow
26-45	31%	44	142	SigHigh
46+	29%	26	90	NS
Sexual orientation				
Heterosexual	27%	66	244	NS
Lesbian, gay, bisexual	14%	5	35	NS
Accommodation status				
Rough sleeping	28%	9	32	NS
Hostel	30%	38	126	NS
Supported accommodation	23%	21	92	NS
All respondents	**26%**	**75**	**288**	**--**

Appendix 4. *Breakdown of figures by individual service*

Services with 10 or more clients providing responses were included in these analyses.

Proportion of clients registered permanently with a GP by service		
Relative position	**Service**	**% permanently registered with a GP**
Highest	Brighton Housing Trust RSI	100%
	Fred Emery Court	100%
	Phase One Hostel	100%
	West Pier	100%
	William Collier House	93%
	George Williams Mews	92%
	Glenwood Lodge	89%
	Housing Support Service*	89%
	Stanley Court	88%
Average	**Brighton & Hove**	**85%**
	St Patrick's Hostel	75%
	First Base Day Centre	67%
Lowest	Rough Sleeper Team	50%

Proportion of clients registered with a dentist by service (temporarily or permanently)		
Relative position	**Service**	**% registered with a dentist**
Highest	Fred Emery Court	64%
	Brighton Housing Trust RSI	63%
	George Williams Mews	55%
	William Collier House	46%
Average	**Brighton & Hove**	**45%**
	Stanley Court	41%
	Rough Sleeper Team	38%
	Housing Support Service	30%
	Phase One Hostel	29%
	St Patrick's Hostel	25%
	Glenwood Lodge	22%
Lowest	First Base Day Centre	15%

Proportion of clients currently smoking		
Relative position	**Service**	**% currently smoke**
Highest	Glenwood Lodge	95%
	Phase One Hostel	95%
	William Collier House	83%
	West Pier Hostel	81%
	Rough Sleeper Team	81%
	St Patrick's Hostel	77%
	Stanley Court	76%
	George Williams Mews	75%
Average	**Brighton & Hove**	**73%**
	Brighton Housing Trust RSI	67%
	Fred Emery Court	64%
	First Base Day Centre	61%
Lowest	Housing Support Service	54%

Proportion of clients exercising two times a week		
Relative position	**Service**	**% exercising twice a week**
Highest	Rough Sleeper Team	80%
	William Collier House	67%
	Brighton Housing Trust RSI	67%
	Stanley Court	53%
Average	**Brighton & Hove**	**51%**
	George Williams Centre	50%
	Fred Emery Court	43%
	West Pier Hostel	40%
	First Base Day Centre	35%
	Phase One Hostel	35%
	St Patrick's Hostel	31%
	Housing Support Service	24%
Lowest	Glenwood Lodge	18%

Proportion of clients reporting a physical health need		
Relative position	**Service**	**% reporting a physical health need**
Highest	Phase One Hostel	100%
	First Base Day Centre	94%
	Fred Emery Court	93%
	St Patrick's Hostel	92%
	West Pier Hostel	91%
	Stanley Court	88%
Average	**Brighton & Hove**	**84%**
	Glenwood Lodge	79%
	William Collier House	76%
	Housing Support Service	75%
	George Williams Mews	75%
	Rough Sleeper Team	69%
Lowest	Brighton Housing Trust RSI	44%

* Housing Support Service is a Brighton & Hove City Council team supporting vulnerable people in emergency placement (B&B) accommodation.

Appendix 5. *Full list of homeless services recorded as participating in the audit*

Service
Brighton Housing Trust - Rough Sleeper Initiative
Brighton YMCA - George Williams Centre
Brighton YMCA - William Collier House
Chris Batten House
Clock Tower Sanctuary
Eaton Place
First Base Day Centre
Fred Emery Court
Friends First Supported House
Gareth Stacey House
Glenwood Lodge (BHCC)
Goldstone Villas
Housing Support Service
Justlife
Leslie Best House
New Steine Mews Hostel
Peer 2 Peer
Phase One Hostel
Rough Sleeper Team
Southdown Housing Association
St Patricks Hostel
Stanley Court
Stopover Supported Housing
Sussex Central YMCA
West Pier project
YMCA Lansworth House

POLICY & RESOURCES COMMITTEE	Agenda Item 99 Brighton & Hove City Council

Subject:		**Traffic Signal & Control Equipment Contract**
Date of Meeting:		**4 December 2014**
Report of:		**Executive Director, Environment, Development & Housing**
Contact Officer:	**Name:**	**Sean Power** **Tel: 01273 290544**
	Email:	**sean.power@brighton-hove.gov.uk**
Ward(s) affected:		**All**

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 The report seeks approval for the tendering of a framework agreement for the maintenance, installation and supply of the city's traffic signal and associated control equipment.

1.2 The framework agreement will replace the current 10-year contract with Siemens Traffic which expires on 31st March 2015.

2. RECOMMENDATIONS:

That the Committee:

2.1 Approves the procurement of a framework agreement for the maintenance, installation and supply of traffic signal and associated control equipment for a term of 4 years.

2.2 Grants delegated authority to the Executive Director Environment Development and Housing -

(i) to carry out the procurement of the framework agreement referred to in 2.1 above including the award and letting of the framework agreement; and

(ii) to enter into any subsequent call-off contracts to the framework agreement referred to in 2.1 above should he/she consider it appropriate at the relevant time.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 The council has a statutory duty to provide road safety under the Road Traffic Act 1988 and network management under the Traffic Management Act 2004, both of these typically include the use of traffic signals and traffic control equipment as

covered by this contract. Where traffic signals are being used the council has a duty to maintain them under the Road Traffic Regulation Act 1984.

3.2 The on-street equipment in operation in the Brighton & Hove city council area currently includes 80 traffic signal installations, 95 signal crossings, 20 variable message car park or traffic information signs and 20 journey time detectors. There are also control, fault detection and monitoring computer systems located in council buildings but supplied and maintained as part of this contract.

Previous contractual arrangement

3.3 The current traffic signal maintenance and supply contract (held by Siemens traffic) expires on 31st March 2015 having operated for a period of 10 years starting 1st April 2005.

3.4 In order to ensure continuity of the service throughout the city beyond the expiry of the current arrangement, it is therefore necessary to commence procurement for a new contract.

Intention of Environment, Development and Housing to develop new framework

3.5 The proposed new framework will provide the maintenance, installation and supply of traffic signal and associated control equipment. The framework will provide for inspection and routine maintenance of the existing equipment, response to faults within a set timeframe (most likely as per the existing contract - 4 hours for serious incidents and 16 hours for non-serious incidents) and an out-of-hours call-out service when required at the request of the signal engineer or emergency services. The new framework will also allow the contractor to supply and/or install new equipment. The extent of this work will be largely determined by the level of external funding received and the continued high performance of the contractor.

3.6 East Sussex County Council will be permitted to use this framework agreement to directly call off the contractor to undertake the maintenance, installation and supply of its own traffic signal and associated control equipment, and will call off any work utilising the framework's Schedule of Rates, which should enable the authority to benefit from useful cost savings.

3.7 Under a framework agreement, there is no guarantee of work and therefore no contract value in its own right. However it is anticipated that works enabled through the proposed framework agreement will be in the region of £1.6million per annum, with fixed and reactive maintenance costs estimated at approximately £300,000 per annum for Brighton & Hove City Council and £120,000 per annum for East Sussex County Council. This value is totally dependent on separately identified and approved funding streams and as such there could be significant positive or negative variation in annual throughput.

3.8 It is envisaged that capital-funded schemes will account for the remaining yearly spend divided between the two authorities, with Brighton & Hove accounting for £300,000 and East Sussex the remaining £880,000. It should be noted that these figures for capital-funded schemes are estimates and dependent to a large extent on the success of funding bids.

3.9 One contractor will be selected to carry out works under the framework agreement. Works will be carried out under "call-off" arrangements. Payment for these works will be from the framework's Schedule of Rates. The framework offers no guarantee of work for the appointed contractor.

General Benefits of the Framework

3.10 Using a framework agreement has a number of benefits as the council (as well as East Sussex County Council who would be named on the framework) would have the ability to directly "call-off" contracts at short notice without the need to undertake a time-consuming comprehensive contract award process, which therefore reduces administrative effort and costs. It also allows the authorities the flexibility to determine specific requirements at the "call off" stage. By collaborating with East Sussex County Council the council will be able to generate greater economies of scale which will result in higher cost savings during the future contract.

Procurement Process

3.11 The contract will be tendered via an open tender procedure advertised in the Official Journal of the European Union (OJEU).

3.12 East Sussex County Council has been invited to collaborate in the tender process, and have been present through the process of soft market testing (pre-procurement market analysis). The council will lead on this procurement.

3.13 The tender process will follow a transparent methodology which gives fair and equal access to all suppliers in the market, and will evaluate suppliers' bids on a combination of price and quality criteria (most economically advantageous bid) in line with EU Procurement rules. It is envisaged that the evaluation criteria will be split between 60% on price and 40% on quality.

3.14 The council will utilise the NEC3 (New Engineering Contract) form of contract which fosters a greater spirit of collaboration between all parties. This form of contract fits in well with the current economic climate in which the council is desirous of working more closely with other providers and public authorities in order to achieve greater cost savings and efficiencies.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 Various procurement options have been discussed with Strategic Finance and Procurement and this form of framework, procured through the EU process is considered most suitable.

4.2 The option to bring the whole service in-house was considered with the council taking responsibility for all maintenance, installation and emergency response. This option was discounted in part due to the large capital investment that would be required for equipment and facilities. The council also currently has no experience in this very specialised field that consists of electronics, computing, communications and traffic control. It was deemed that the large reorganisation that would be needed to bring the service in-house, including the TUPE of staff

from the existing contractor, the establishment of a new management team and the training of staff, did not make this a viable option.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 Other local authorities of a similar size and makeup have been consulted along with suppliers in the market. Feedback has reinforced the proposal to pursue a framework arrangement and will be used to influence the contract standards set out in the specification.

5.2 Other departments within the council's Highway department have been consulted regarding the proposed fault response times.

6. CONCLUSION

6.1 The procurement and award of this framework contract will help the council deliver its priorities to achieve value for money and to provide high quality service in road safety, traffic management and real time traffic information. In approving the procurement and award of this framework contract, the council will enable the means not only to fulfil its statutory duties but also help deliver corporate priorities.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The proposed procurement is subject to 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. The financial implications of the recommendations in the report will be dependent on the outcome of the procurement process. The costs associated with the proposed contract will be funded from existing budgets.

Finance Officer Consulted: Steven Bedford Date: 10/11/14

Legal Implications:

7.2 The council has a duty with regard to road safety, network management and to keep the existing equipment operational.

7.3 The council has a duty to secure 'economy, efficiency and effectiveness' in all its activities. Supply of this service in a matter that attracts the most economically advantageous bid supports this principle and is in line with the EU procurement rules.

7.4 The Policy & Resources Committee is the appropriate decision-making body in respect of the recommendations at paragraph 2 above, given that the value of the contract which is the subject of the proposed tendering exercise is likely to have corporate financial implications.

7.5 Further, the council's Contract Standing Orders require that authority to enter into a contract valued at £500,000 or more be obtained from the relevant committee, which in this instance is the Policy and Resources Committee due to the value involved

7.6 The value of the proposed framework means that the UK Public Contracts Regulations will apply in full to the procurement of the Framework Agreement. The tender will need to be advertised in OJEU. The tender will be scored on the criteria of quality and price as part of the evaluation process.

7.7 Consideration must be given during the procurement to ensure that the new contractual arrangement contains robust transitional arrangements to avoid any unnecessary costs to the council and disruption to the public at the end of the contract period.

Lawyer Consulted: Oliver Dixon *Date: 10 November 2014*

Equalities Implications:

7.8 The Council's Code of practice on Equalities and Workforce Matters is enforced in all procurement and is incorporated within this contract agreement

7.9 It is believed that there will be a TUPE requirement for the existing Siemens staff should another contractor be successful in winning the future contract. Further investigation will be undertaken to fully understand the implications of TUPE for this procurement prior to the tender being carried out..

Sustainability Implications:

7.10 The current specification for new traffic control equipment includes a requirement for low energy consumption equipment and long life / low maintenance LED lamps. This will continue to be a requirement in the new contract and contractors will be invited to submit their innovative ideas detailing how they can play a key role in driving forward our sustainability agenda.

7.11 Living wage standards will also be considered as a requirement of this framework contract.

Any Other Significant Implications:

7.12 In recent years the council has been innovative in its use of traffic signals to promote and enhance alternative and sustainable travel especially in the areas of pedestrian crossings, cycle lanes and bus lanes. The intention is to continue this work utilising new technology as it becomes available in partnership with the incumbent traffic signal maintenance contractor.

SUPPORTING DOCUMENTATION

None

POLICY & RESOURCES COMMITTEE	Agenda Item 100 Brighton & Hove City Council

Subject:		**Annual Surveillance Report (December 2014)**
Date of Meeting:		**4 December 2014**
Report of:		**Executive Director for Finance & Resources**
Contact Officer:	**Name:**	**Jo Player** **Tel: 29-2488**
	Email:	**Jo.player@brighton-hove.gcsx.gov.uk**
Ward(s) affected:		**All**

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 The purpose of the report is to appraise Committee of the activities that have been undertaken utilising the powers under the Regulation of Investigatory Powers Act 2000 (RIPA) since the last report to Policy & Resources Committee in December 2013 and to confirm that these activities were authorised in line with the necessity and proportionality rules.

2. RECOMMENDATIONS:

2.1 That the continued use of covert surveillance be approved as an enforcement tool to prevent and detect crime and disorder investigated by its officers, providing the activity is in line with the Council's Policy and Guidance and the necessity and proportionality rules are stringently applied.

2.2 That the surveillance activity undertaken by the authority since the report to Committee in December 2013 as set out in Appendix 2 be noted.

2.3 That the continued use of the Policy and Guidance document as set out in Appendix 3 be approved.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 The Regulation of Investigatory Powers Act 2000 (RIPA) is the law governing the use of covert surveillance techniques by Public Authorities, including local authorities. RIPA was enacted as part of a suite of legislation flowing from the implementation of the Human Rights Act 1997. The Act requires that when public authorities need to use covert techniques to obtain information about someone, they do it in a way that is necessary and proportionate and compatible with human rights.

3.2 RIPA regulates the interception of communications, directed and intrusive surveillance and the use of covert human intelligence sources (informants). Local authorities may only carry out directed surveillance, access certain communications data and use informants.

3.3 Appendix 2 details the uses made by the Council over the year.

3.4 The Protection of Freedoms Act was enacted from 1st November 2012. Since that date, approval must be sought from a Magistrate when local authorities wish to conduct surveillance activity, access communications data and use informants. This is in addition to the authorisation by a Authorising Officer who meets the criteria regarding their position within the authority.

3.5 In addition to seeking the approval of a Magistrate, all applications must meet the Serious Offence test. This stipulates that any directed surveillance is restricted to the investigation of offences that carry a custodial sentence of six months or more. The only offence where this will not apply is in regard to underage sales of alcohol and tobacco.

3.6 The Policy and Guidance document attached at Appendix 3 was updated to take into consideration recommendations made by the Surveillance Commissioner in June 2012 and the introduction of the Protection of Freedoms Act. It has recently been updated to reflect changes to personnel within the authority.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

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

5. COMMUNITY ENGAGEMENT & CONSULTATION

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

6. CONCLUSION

6.1 It is essential that officers are able to use the RIPA powers where necessary and within the threshold set out in the Protection of Freedoms Act 2012, but only after excluding all other methods of enforcement. An authorisation will only be given by the relevant 'Authorising Officer' following vetting by the 'Gatekeeper', therefore it is unlikely that the powers will be abused. There is now the additional safeguard of judicial sign off.

6.2 The implementation of the Annual review has made the whole process transparent and demonstrates to the public that the correct procedures are followed.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The cost of officer time associated to the recommendations in this report will be funded from existing revenue budgets.

Finance Officer Consulted: Steven Bedford *Date: 28/10/14*

Legal Implications:

7.2

The legal framework governing the use of covert surveillance and accessing communications data is addressed in the body of the report. The Council's policy and reporting measures (Appended) ensure that the powers are exercised lawfully, proportionately and consistently.

Lawyer Consulted: Elizabeth Culbert *Date: 28/10/14*

Equalities Implications:

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

Sustainability Implications:

7.4 There are no sustainability implications.

Any Other Significant Implications:

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

SUPPORTING DOCUMENTATION

Appendices:

1. Other Implications
2. Detailed use of RIPA since December 2013
3. Policy and Guidance Document version November 2014

Documents in Members' Rooms

None.

Background Documents

None

Crime & Disorder Implications:

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

Risk and Opportunity Management Implications:

1.2 None

Public Health Implications:

1.3 There are no public health implications

Corporate / Citywide Implications:

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

Appendix 2

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

Year: 2013-14

	No in Year September 2013-end November 2014	**No in Year September 2012-end August 2013**
Number of Directed Surveillance Authorisations Granted	1	3
Number of Directed Surveillance Authorisations Rejected	0	0
Number of Directed Surveillance Authorisations Cancelled	2	3
Number of Covert Human Intelligence Sources Authorised	0	0
Number of Juveniles or Vulnerable Persons authorised as Covert Human Intelligence Sources	0	0
Number of Applications for Covert Human Intelligence Sources Rejected	0	0
Number of Covert Human Intelligence Source authorisations Cancelled	0	0

Number of Applications for Acquisition of Communications Data Approved	1	1
Number of Applications for Acquisition of Communications Data Rejected	0	0
Number of errors with regards to communications data recorded	0	0
Number of errors with regards to communications data reported to the IOCCO	0	0

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

Brighton & Hove City Council

Corporate Policy & Procedures Document

On

The Regulation of Investigatory Powers Act 2000

(RIPA)

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

Jo Player
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E-mail: jo.player@brighton-hove.gov.uk

Version: October 2014

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

Introduction

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

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

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

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

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

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

Policy Statement

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

It is this Council's Policy that

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

Senior Responsible Officer

The revised Code of Practice recommends that each public authority appoints a Senior Responsible Officer. This officer will be responsible for the integrity of the process in place within the public authority to authorise directed surveillance; compliance with the relevant Acts and Codes of Practice; engagement with the Commissioners and Inspectors when they conduct their inspections and where necessary overseeing the implementation of any post inspection action plans recommended or approved by a Commissioner.
The Senior Responsible Officer should be a member of the corporate management Team and for the purposes of this policy the Executive Director Finance and Resources has been so delegated. It is the responsibility of the Senior Responsible Officer to ensure that all authorising officers are of an appropriate standard in light of any recommendations in the inspection reports prepared by the Office of the Surveillance Commissioners. Where an inspection report highlights concerns about the standards of authorising officers, it is the responsibility of the Senior Responsible Officer to ensure these concerns are addressed.

Authorised Officers Responsibilities

The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010 and the Regulation of Investigatory Powers (Communications Data) Order 2010, specify the seniority of officers who are able to authorise surveillance activity and access to communications data. These are Directors, Head of Service, Service Manager or equivalent.
It is essential that Senior Managers and Authorised Officers take personal responsibility for the effective and efficient operation of this document.

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

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

An authorisation must not be approved until the Authorised Officer is satisfied that the activity proposed is necessary and proportionate.
However it will be the responsibility of the gatekeeper to review any applications prior to submission to the Authorised Officer. They should ensure that the correct form, has been used. These are the latest Home Office forms and are available on the HO website or via the Wave and that the applicant has obtained a Unique Reference Number (URN) from the PA Head of Regulatory Services. The gatekeeper should also ensure that the form has been correctly completed and contains sufficient detail and information to enable the authorised officer to make an informed decision whether to authorise the application. The gatekeeper should also scrutinise the form to ensure that it complies with the necessity and proportionality requirements before the authorised officer receives the form. A gatekeeper should be a person with sufficient knowledge and understanding of the enforcement activities of the relevant public body, who should vet the applications as outlined above. Once the gatekeeper is satisfied with the application they should initial the form and submit any comments on the application in writing to the Authorised Officer and provide necessary feedback to the applicant. In order that there is consistency with the quality of applications the Trading Standards Manager and Principal Trading Standards Officer will act as gatekeepers for the Council. It should be noted that the Trading Standards manager will not act as gatekeeper and Authorising Officer on the same application.

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

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

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

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

General Information on RIPA

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

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

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

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

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

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

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

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

What RIPA Does and Does Not Do

RIPA does:

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

RIPA does not:

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

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

Types of Surveillance

'Surveillance' includes

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

Surveillance can be overt or covert.

Overt Surveillance

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

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

The following are NOT normally Directed Surveillance:

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

Covert Surveillance

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

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

Directed Surveillance

Directed Surveillance is surveillance which: -

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

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

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

should therefore be sought.

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

Reconnaissance- Examples

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

Intrusive Surveillance

This is when it: -

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

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

Council Officers must not carry out intrusive surveillance.

Notes about 'Intrusive'

Surveillance is generally 'Intrusive' only if the person is on the same premises or in the same vehicle as the subject(s) of the surveillance. Carrying out surveillance using private residential premises (with the consent of the occupier) as a 'Static Observation Point' does not make that surveillance 'Intrusive'. A device used to enhance your external view of property is almost never an *intrusive* device. A device would only become *intrusive* where it provided a high quality of information from inside the *private residential premises* A device used to enhance your external view of property is almost never an *intrusive* device. A device would only become *intrusive* where it provided a high quality of information from inside the *private residential premises*. If premises under surveillance are known to be used for legally privileged communications, that surveillance must also be treated as *intrusive*
Examples :
Officers intend to use an empty office to carry out surveillance on a person who lives opposite. As the office is on the 4th floor, they wish to use a long lens and binoculars so that they can correctly identify and then photograph their intended subject covertly. This is NOT *intrusive surveillance*, as the devices do not provide high quality evidence from inside the subject's premises. *Officers intend using a surveillance van parked across the street from the subject's house. They could see and identify the subject without binoculars but have realised that, if they use a 500mm lens, as the subject has no net curtains or blinds, they should be able to see documents he is reading. This IS intrusive surveillance, as the evidence gathered is of a high quality, from inside the premises, and is as good as could be provided by an officer or a device being on the premises.*

Examples of different types of Surveillance

Type of Surveillance	Examples
Overt	§ Police Officer or Parks Warden on patrol § Sign-posted Town Centre CCTV cameras (in normal use) § Recording noise coming from outside the premises after the occupier has been warned that this will occur if the noise persists. § Most test purchases (where the officer behaves no differently from a normal member of the public).
Covert but not requiring prior authorisation	§ CCTV cameras providing general traffic, crime or public safety information.

Directed (must be RIPA authorised)	§ Officers follow an individual or individuals over a period, to establish whether s/he is working when claiming benefit or off long term sick from employment. § Test purchases where the officer has a hidden camera or other recording device to record information that might include information about the private life of a shop-owner, e.g. where s/he is suspected of running his business in an unlawful manner.
Intrusive	§ Planting a listening or other device (bug) in a person's home or in their private vehicle. **THE COUNCIL CANNOT CARRY OUT THIS ACTIVITY AND FORBIDS ITS OFFICERS FROM CARRYING IT OUT**

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

Who is a CHIS?

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

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

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

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

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

What must be authorised?

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

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

Juvenile Sources

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

Authorisations for juvenile CHIS must not be granted unless: -

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

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

Vulnerable Individuals

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

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

Test Purchases

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

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

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

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

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

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

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

Accessing Communications Data

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

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

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

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

Customer data (Subscriber)

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

It includes:-

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

Service Data (Service user)

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

- Periods during which the customer used the service

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

Traffic Data

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

Authorisation Procedures

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

Authorised Officers

Directed surveillance and or the use of CHIS can only be authorised by the officers listed in this document attached at appendix 1. Authorised officers will be removed from this list if they do not attend the required training programmes. The list will be kept up to date by the Trading Standards Manager and amended as necessary. The SRO can add, delete or substitute posts to this list as required.
Authorisations under RIPA are separate from delegated authority to act under the Council's Scheme of Delegation and internal departmental Schemes of Management. RIPA authorisations are for specific investigations only, and must be renewed or cancelled once the specific surveillance is complete or about to expire.

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

Authorised Officers–Access to Communications data

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

Training Records

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

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

Application Forms

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

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

Grounds for Authorisation

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

- For the prevention or detection of crime or disorder

Serious Crime

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

Non RIPA Surveillance

This new process will automatically restrict the use of surveillance activity under the RIPA framework by a number of our services as the offences they deal with do not meet the serious crime threshold. RIPA does not grant any powers to carry out surveillance, it simply provides a framework that allows Authorities to authorise surveillance in a manner that ensures compliance with the European Convention on Human Rights. Equally, RIPA does not prohibit surveillance from being carried out or require that surveillance may only be carried out following a successful RIPA application.
Whilst it is the intention of this Authority to use RIPA in all circumstances where it is available, for a Local Authority, this is limited to preventing or detecting crime or disorder and from 1st November 2012 to serious crime. The Authority recognises that there are times when it will be necessary to carry out covert directed surveillance when RIPA is not available to use. Under such circumstances, a RIPA application must be completed and clearly endorsed in red 'NON-RIPA SURVEILLANCE' along the top of the first page. The application must be submitted to a RIPA Authorising Officer in the normal fashion, who must consider it for Necessity and Proportionality in the same fashion as they would a RIPA application. The normal procedure of timescales, reviews and cancellations must be followed. Copies of all authorisations or refusals, the outcome of reviews or renewal applications and eventual cancellation must be notified to the Trading Standards Manager who will keep a separate record of Non-RIPA activities, and monitor their use in the same manner as RIPA authorised activities.

Assessing the Application Form

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

Be mindful of this Corporate Policy & Procedures Document

Satisfy themselves that the RIPA authorisation is

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

This means that they must consider

- whether other less invasive methods to obtain the information have been considered. The least intrusive method will normally be considered the most proportionate unless for example it is impractical or would undermine the investigation.

- balance the right of privacy against the seriousness of the offence under investigation. When considering necessity and proportionality, an authorising officer should spell out in terms of the 5 W's, (who, what, why, where, when and how) what specific activity is being sanctioned.

- Take account of the risk of intrusion into the privacy of persons other than the specified subject of the surveillance **(Collateral Intrusion).**

- Ensure that measures are taken wherever practicable to avoid or minimise collateral intrusion.

- Set a date for review of the authorisation and review on only that date where appropriate.

- Ensure that the form carries a unique reference number

- Ensure that the applicant has sent a copy to the Trading Standards Manager for inclusion in the Central Register within 1 week of the authorisation.

- Ensure that the application is cancelled when required.

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

Retention and Destruction of the Product

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

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

Confidential Material

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

Where it is likely, through the use of surveillance, that confidential information will be obtained, authorisation can only be granted by Heads of Service or in their absence the Chief Executive.
Descriptions of what may constitute legally privileged information are set out in section 98 of Police Act 1997 and further guidance is set out in Paragraphs 3.4-3.9 of the Home Office Code of Practice on Covert Surveillance.

Confidential Personal Information and Confidential Journalistic Information

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

confidence relating to the physical or mental health or spiritual counselling concerning an individual (whether living or dead) who can be identified from it. This information can be either written or oral and might include consultations between a doctor and patient or information from a patient's medical records. Spiritual counselling means conversations between an individual and a Minister of Religion acting in an official capacity, where the individual being counselled is seeking or the Minister is imparting forgiveness, absolution or the resolution of conscience with the authority of the Divine Being(s) of their faith.
Confidential journalistic material includes material acquired or created for the purpose of journalism and held subject to an undertaking to hold it in confidence, as well as communications resulting in information being acquired for the purposes of journalism and held subject to such an undertaking.

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

Additional Safeguards when Authorising a CHIS

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

- Be satisfied that the **conduct** and/or **use** of the CHIS is proportionate to what is sought to be achieved;

- Be satisfied that **appropriate arrangements** are in place for the management and oversight of the CHIS and this must address health and safety issues through a risk assessment; At all times there will be a person designated to deal with the CHIS on behalf of the authority and for the source's security and welfare. This person should be in at least the position of Head of Service.

- Consider the likely degree of intrusion of all those potentially affected;

- Consider any adverse impact on community confidence that may result from the use or conduct or the information obtained; and

- Ensure **records** contain particulars and are not available except on a need to know basis

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

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Urgent Authorisations

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

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

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

• Full details of the person to be subject of the surveillance;

• The offence being investigated, and its seriousness;

• How the investigation is necessary to the business of the Authority;

• How surveillance is necessary to the investigation;

• How surveillance is proportionate bearing in mind the offence, the expectation of privacy and the collateral intrusion; and

• What the impact of ceasing surveillance and obtaining a written authorisation would be.

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

Duration

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

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

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

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

Working with Other Agencies

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

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

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

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

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

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

Record Management

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

Records maintained in the Department

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

Central Register maintained by Trading Standards

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

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

Consequences of Non Compliance

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

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

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

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

Oversight by Members

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

Concluding Remarks

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

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

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

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

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

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



Appendix 1

List of Authorised Officers

Post	Name
Trading Standards Manager	Jo Player
Head of Revenues and Benefits	Graham Bourne
Head of Adult Assessment	Brian Doughty
Head of Regulatory Services	Tim Nichols

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

Trading Standards Manager Jo Player

Single Point of Contact for Accessing Communications Data

National Anti Fraud Network NAFN

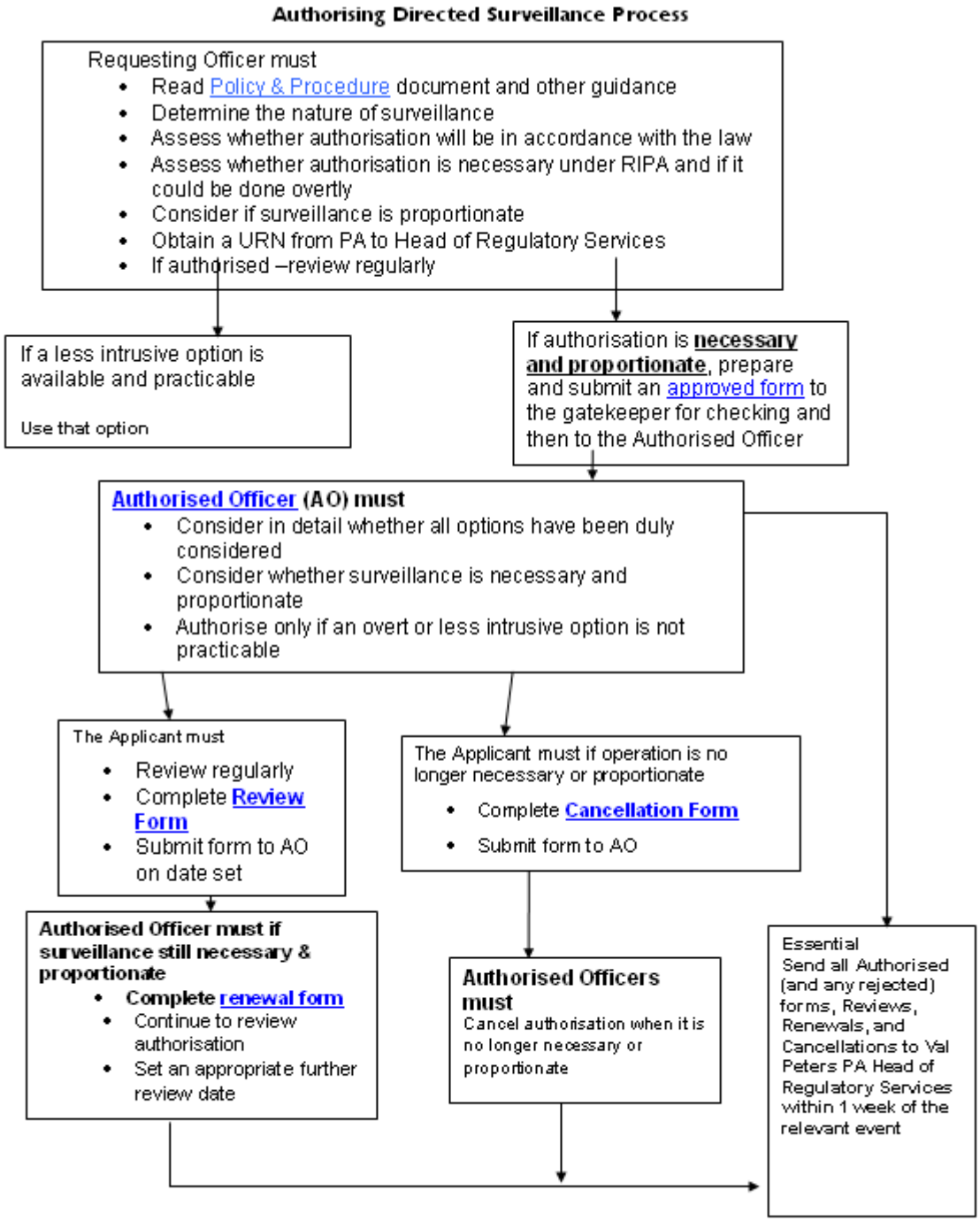
Gatekeepers

Trading Standards Manager Jo Player

Principal Trading Standards Officer John Peerless

Please contact Val Peters for a URN

Appendix 2


Authorising Directed Surveillance Process
Requesting Officer must
Read Policy & Procedure document and other guidance
Determine the nature of surveillance
Assess whether authorisation will be in accordance with the law
Assess whether authorisation is necessary under RIPA and if it could be done overtly
Consider if surveillance is proportionate
Obtain a URN from PA to Head of Regulatory Services
If authorised –review regularly
If a less intrusive option is available and practicable
Use that option
If authorisation is necessary and proportionate, prepare and submit an approved form to the gatekeeper for checking and then to the Authorised Officer
Authorised Officer (AO) must
Consider in detail whether all options have been duly considered
Consider whether surveillance is necessary and proportionate
Authorise only if an overt or less intrusive option is not practicable
The Applicant must
Review regularly
Complete Review Form
Submit form to AO on date set
The Applicant must if operation is no longer necessary or proportionate
Complete Cancellation Form
Submit form to AO
Authorised Officer must if surveillance still necessary & proportionate
Complete renewal form
Continue to review authorisation
Set an appropriate further review date
Authorised Officers must
Cancel authorisation when it is no longer necessary or proportionate
Essential
Send all Authorised (and any rejected) forms, Reviews, Renewals, and Cancellations to Val Peters PA Head of Regulatory Services within 1 week of the relevant event

Appendix 3

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

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

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

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

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

• The Act is available here:

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

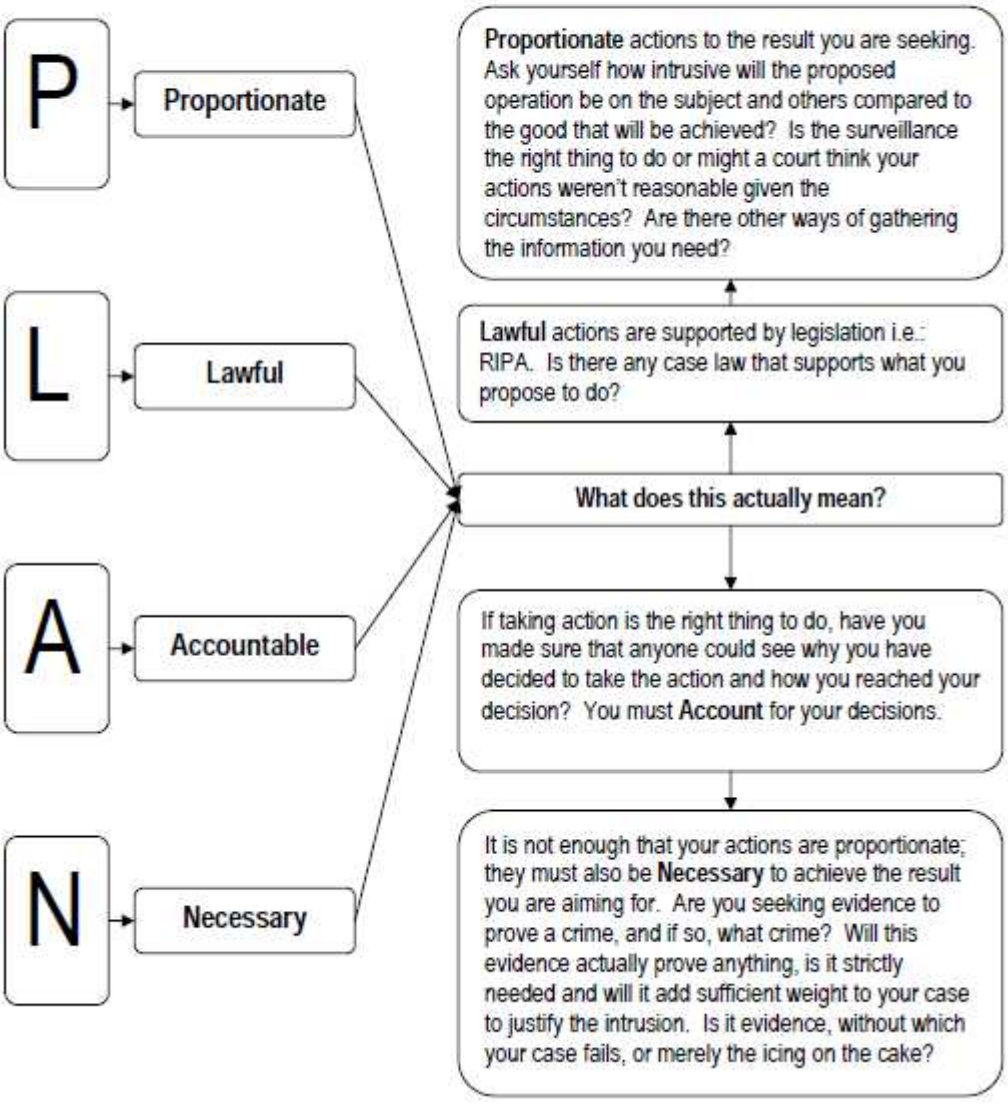
• The Office of Surveillance Commissioners website has some useful information and advice and is available here :

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

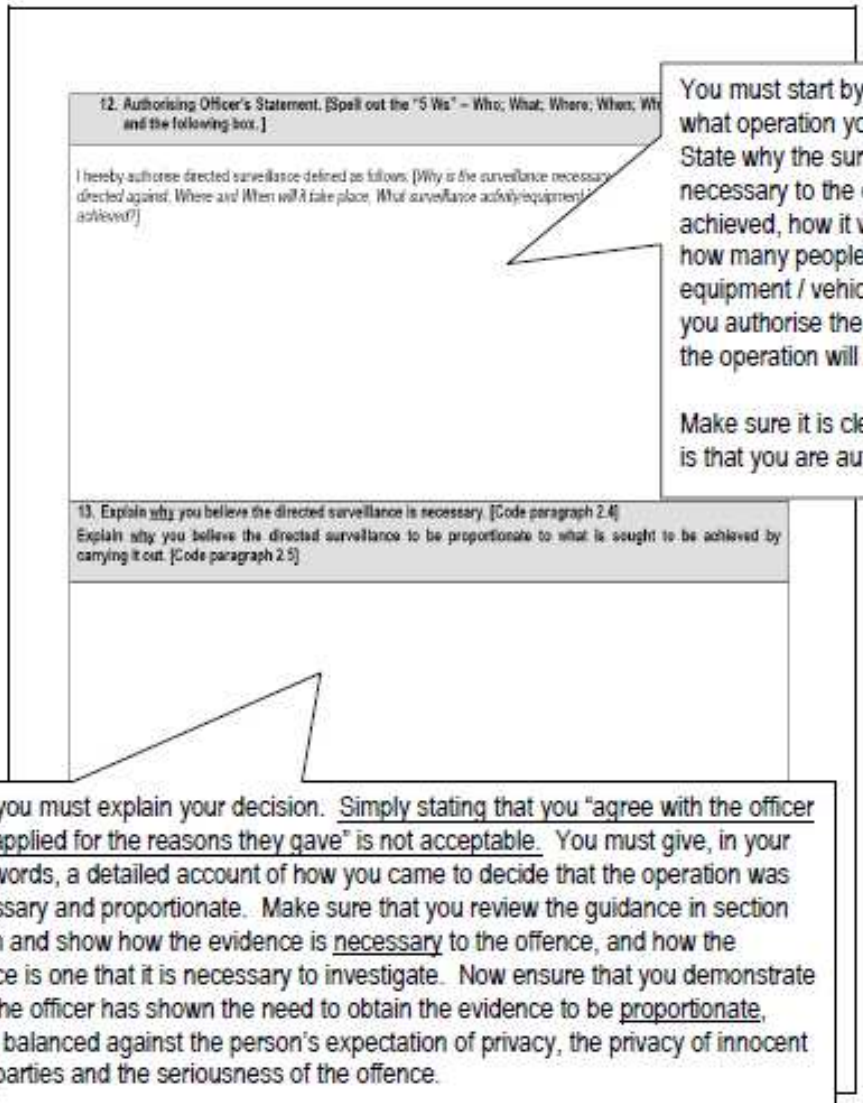
Appendix 4

APPENDIX FOUR

Notes for Guidance for Authorisation – Directed Surveillance



Authorised Officer's Statement



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

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

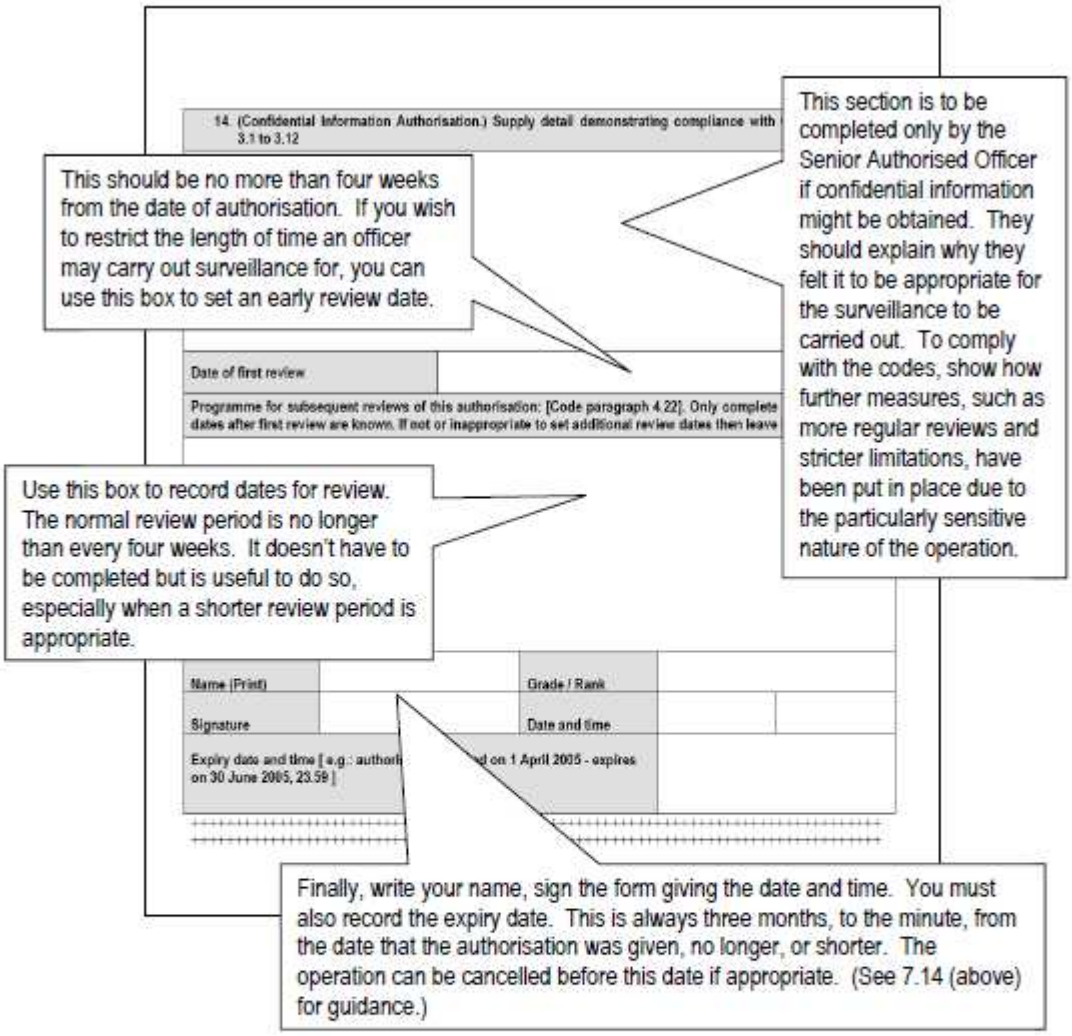
Now you must explain your decision. Simply stating that you "agree with the officer who applied for the reasons they gave" is not acceptable. You must give, in your own words, a detailed account of how you came to decide that the operation was necessary and proportionate. Make sure that you review the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

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

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

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

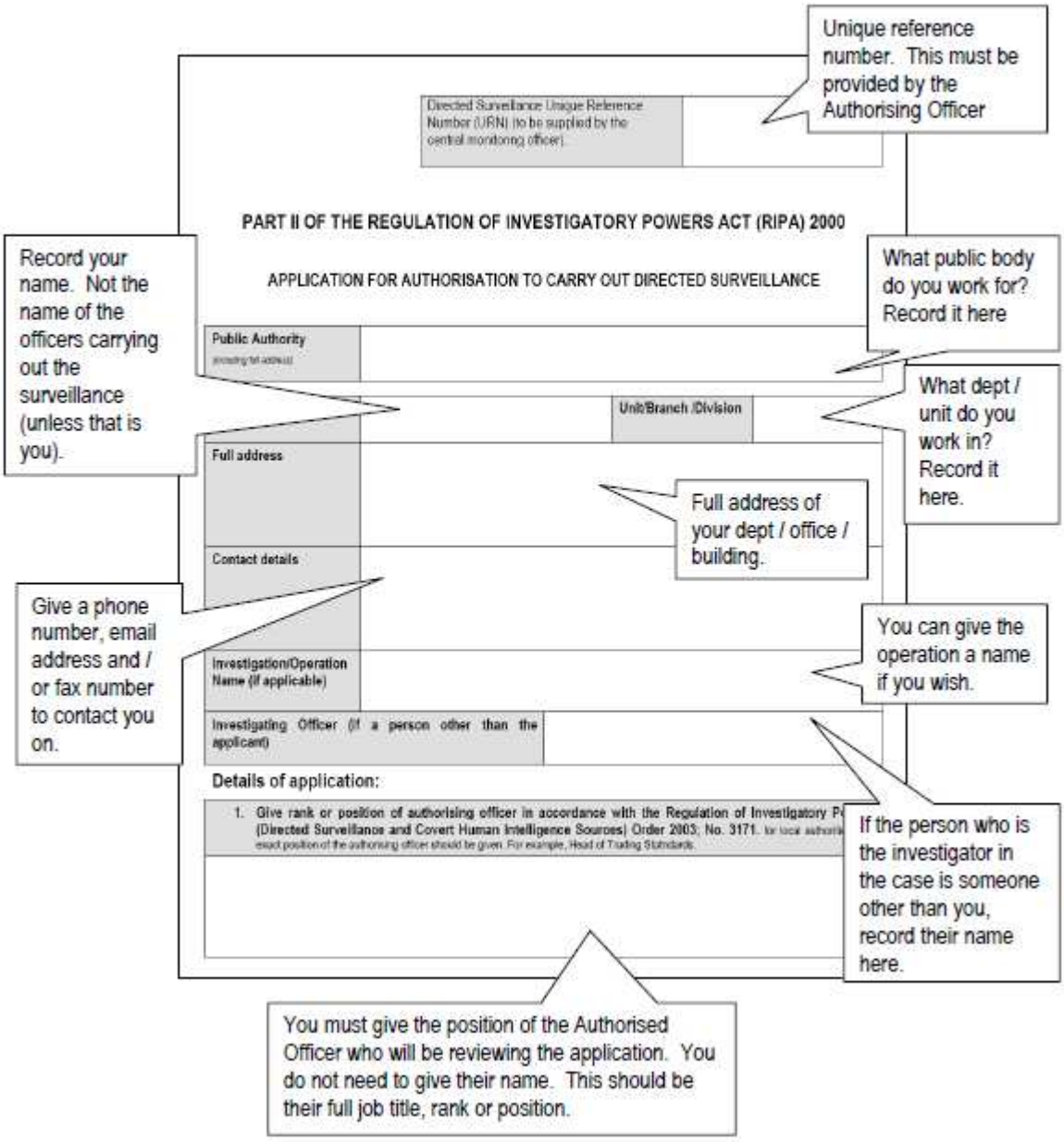
Authorised Officer's Statement



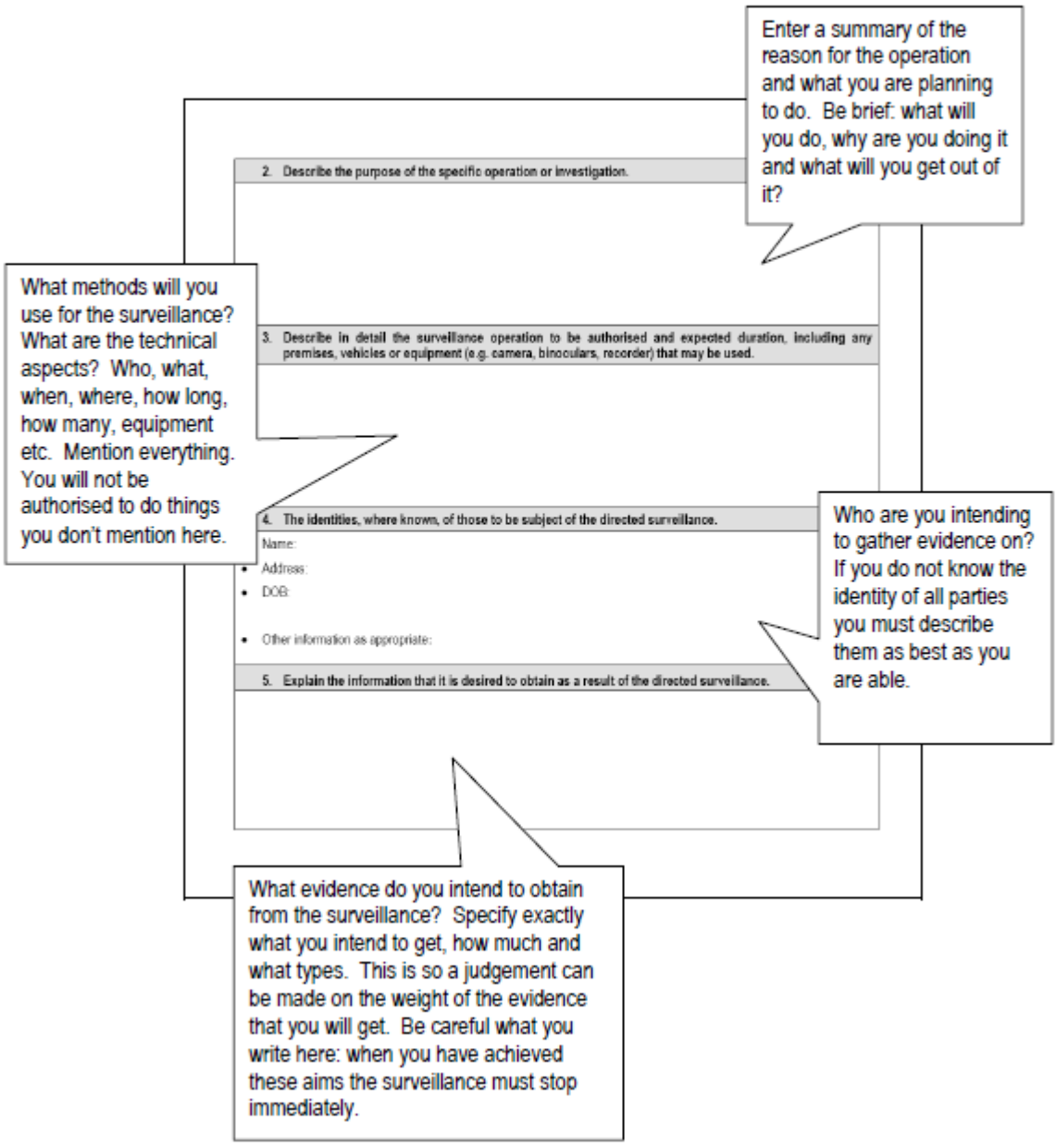
Sections 15 and 16:
These sections relate to oral authorisations that may be granted or renewed only in urgent cases. In the case that an oral authorisation is granted, the AO should record the reasons why they considered the case urgent and why they believed it was not practicable to delay in order for the investigator to complete an application. Urgent oral authorisations last for seventy-two hours from the time of the authorisation. The officer carrying out the surveillance must complete a written application at the earliest opportunity, not necessarily at the end of the seventy-two hours.

Appendix 5

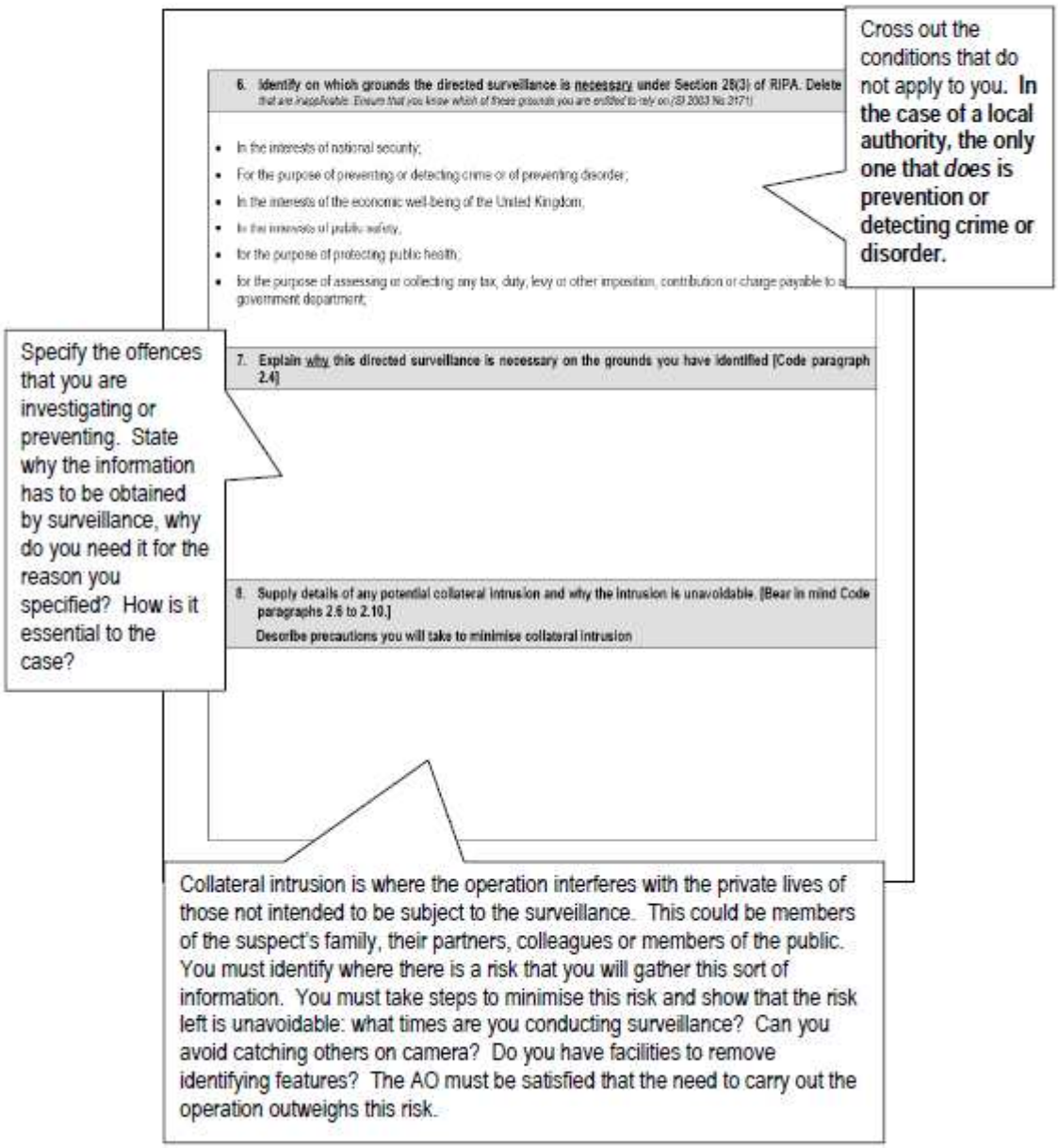
The RIPA 1 Form – Guidance Notes on Completion



Page Two

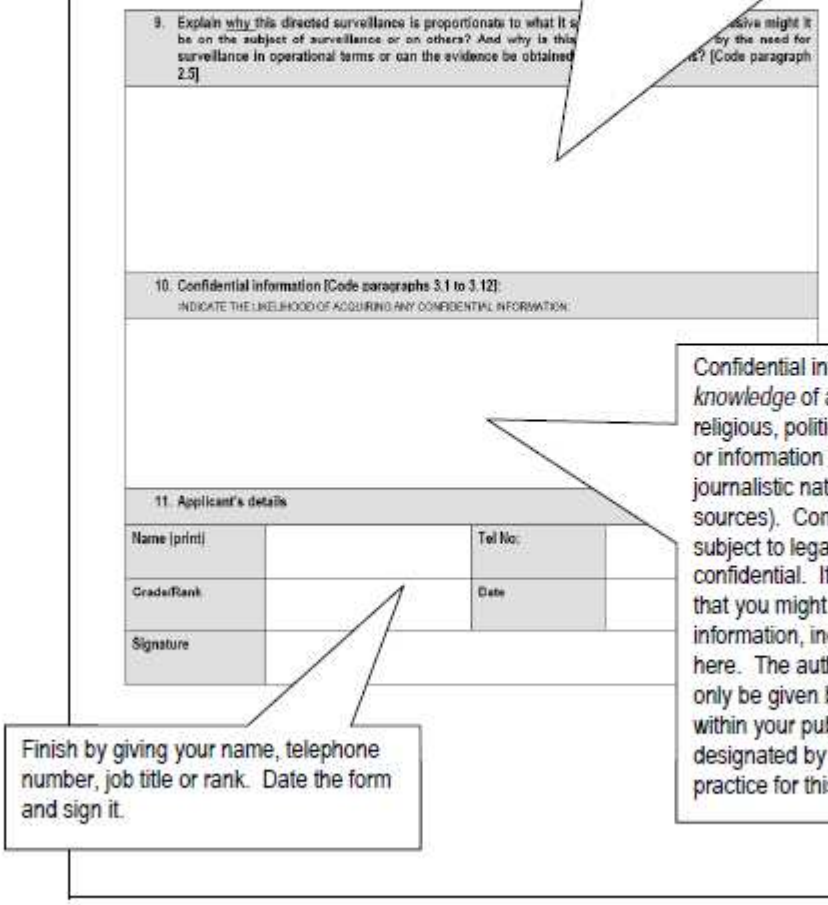

Enter a summary of the reason for the operation and what you are planning to do. Be brief: what will you do, why are you doing it and what will you get out of it?
2. Describe the purpose of the specific operation or investigation.
What methods will you use for the surveillance? What are the technical aspects? Who, what, when, where, how long, how many, equipment etc. Mention everything. You will not be authorised to do things you don't mention here.
3. Describe in detail the surveillance operation to be authorised and expected duration, including any premises, vehicles or equipment (e.g. camera, binoculars, recorder) that may be used.
4. The identities, where known, of those to be subject of the directed surveillance.
Name:
Address:
DOB:
Other information as appropriate:
Who are you intending to gather evidence on? If you do not know the identity of all parties you must describe them as best as you are able.
5. Explain the information that it is desired to obtain as a result of the directed surveillance.
What evidence do you intend to obtain from the surveillance? Specify exactly what you intend to get, how much and what types. This is so a judgement can be made on the weight of the evidence that you will get. Be careful what you write here: when you have achieved these aims the surveillance must stop immediately.

Page Three


6. Identify on which grounds the directed surveillance is necessary under Section 28(3) of RIPA. Delete that are inapplicable. Ensure that you know which of these grounds you are entitled to rely on (SI 2003 No 3171)
In the interests of national security;
For the purpose of preventing or detecting crime or of preventing disorder;
In the interests of the economic well-being of the United Kingdom;
In the interests of public safety;
for the purpose of protecting public health;
for the purpose of assessing or collecting any tax, duty, levy or other imposition, contribution or charge payable to a government department;
7. Explain why this directed surveillance is necessary on the grounds you have identified [Code paragraph 2.4]
8. Supply details of any potential collateral intrusion and why the intrusion is unavoidable. [Bear in mind Code paragraphs 2.6 to 2.10.]
Describe precautions you will take to minimise collateral intrusion
Cross out the conditions that do not apply to you. In the case of a local authority, the only one that does is prevention or detecting crime or disorder.
Specify the offences that you are investigating or preventing. State why the information has to be obtained by surveillance, why do you need it for the reason you specified? How is it essential to the case?
Collateral intrusion is where the operation interferes with the private lives of those not intended to be subject to the surveillance. This could be members of the suspect's family, their partners, colleagues or members of the public. You must identify where there is a risk that you will gather this sort of information. You must take steps to minimise this risk and show that the risk left is unavoidable: what times are you conducting surveillance? Can you avoid catching others on camera? Do you have facilities to remove identifying features? The AO must be satisfied that the need to carry out the operation outweighs this risk.

Page Four

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



9. Explain why this directed surveillance is proportionate to what it s… be on the subject of surveillance or on others? And why is this surveillance in operational terms or can the evidence be obtained… 2.5]

…sive might it …by the need for …s? [Code paragraph

10. Confidential information [Code paragraphs 3.1 to 3.12]:
INDICATE THE LIKELIHOOD OF ACQUIRING ANY CONFIDENTIAL INFORMATION:

11. Applicant's details

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

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

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