





**Brighton & Hove  
City Council**

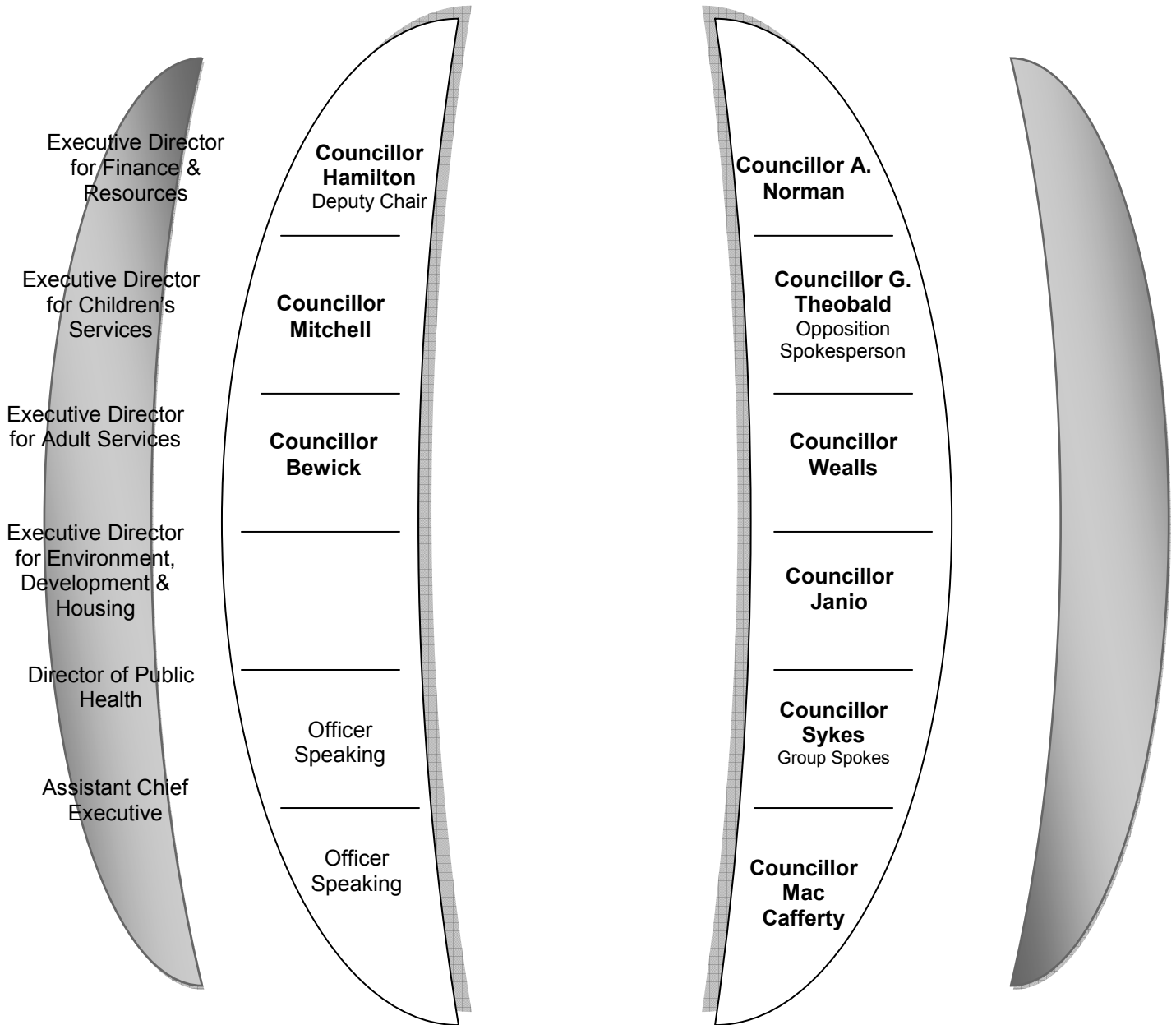
# Policy & Resources Committee

Title:	<b>Policy &amp; Resources Committee</b>
Date:	<b>11 June 2015</b>
Time:	<b>4.00pm</b>
Venue	<b>Auditorium - The Brighthelm Centre</b>
Members:	<b>Councillors:</b> Morgan (Chair), Hamilton (Deputy Chair), G Theobald (Opposition Spokesperson), Mac Cafferty (Group Spokesperson), Bewick, Janio, Mitchell, A Norman, Sykes and Wealls
Contact:	<b>Ross Keatley</b> Democratic Services Manager 01273 291064 ross.keatley@brighton-hove.gov.uk

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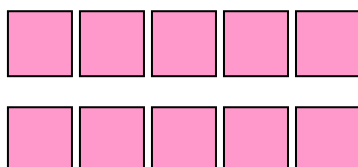
# Democratic Services: Policy & Resources Committee

Monitoring Officer	Councillor Morgan Chair	Chief Executive	Democratic Services Manager
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Public Speaker	Councillor Speaking
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Public Seating



Press

## AGENDA

### PROCEDURAL MATTERS

#### 1 PROCEDURAL BUSINESS

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

(b) **Declarations of Interest:**

- (a) Disclosable pecuniary interests;
- (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.*

## POLICY & RESOURCES COMMITTEE

- 2 CONSTITUTIONAL MATTERS - POLICY & RESOURCES COMMITTEE 1 - 14**  
Report of the Head of Legal & Democratic Services (copy attached).  
*Contact Officer: Ross Keatley Tel: 29-1064*  
*Ward Affected: All Wards*
- 3 MINUTES 15 - 30**  
To consider the minutes of the meeting held on 19 March 2015 (copy attached).  
*Contact Officer: Ross Keatley Tel: 01273 291064*
- 4 CHAIR'S COMMUNICATIONS**
- 5 CALL OVER**
- (a) Items (8 – 10) 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**
- 6 PUBLIC INVOLVEMENT 31 - 34**  
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) **Save St. Aubyns Playing Field in Rottingdean**
- (b) **Written Questions:** to receive any questions submitted by the due date of 12 noon on the 4 June 2015.
- (c) **Deputations:** to receive any deputations submitted by the due date of 12 noon on the 4 June 2015.
- 7 MEMBER INVOLVEMENT 35 - 40**  
To consider the following matters raised by councillors:
- (c) **Letters:** to consider any letters;
- Councillor G. Theobald – Unauthorised Encampments**
- (d) **Notices of Motion:** to consider any Notices of Motion referred from Council or submitted directly to the Committee.
- i) **Green Group – Budget Process 2016/17 – Proposed by Councillor Sykes**

## POLICY & RESOURCES COMMITTEE

### ii) Green Group Temporary Travellers Site – Proposed by Councillor Mac Cafferty

#### FINANCIAL MATTERS

#### 8 TARGETTED BUDGET MANAGEMENT (TBM) PROVISIONAL OUTTURN 2014/15 41 - 134

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

Contact Officer: Nigel Manvell

Tel: 29-3104

Ward Affected: All Wards

#### 9 ADDITION TO EDUCATION CAPITAL RESOURCES AND CAPITAL INVESTMENT PROGRAMME 2015/2016 135 - 150

Extract from the meeting of the Children, Young People & Skills Committee (to follow) and a report of the Executive Director for Children's Services (copy attached).

Ward Affected: All Wards

#### STRATEGIC & POLICY MATTERS

#### 10 BRIGHTON & HOVE FAIRNESS COMMISSION 151 - 156

Report of the Assistant Chief Executive (copy attached).

Contact Officer: Matthew Wragg

Tel: 01273 293944

Ward Affected: All Wards

#### GENERAL MATTERS

#### 11 ITEMS REFERRED FOR COUNCIL

To consider items to be submitted to the 16 July 2015 Council meeting for information.

*In accordance with Procedure Rule 24.3a, the Committee may determine that any item is to be included in its report to Council. In addition, each Group may specify one further item to be included by notifying the Chief Executive no later than 10.00am on 6 July 2015 (the eighth working day before the Council meeting to which the report is to be made), or if the Committee meeting takes place after this deadline, immediately at the conclusion of the Committee meeting.*

## POLICY & RESOURCES COMMITTEE

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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](mailto:ross.keatley@brighton-hove.gov.uk)) or email [democratic.services@brighton-hove.gov.uk](mailto:democratic.services@brighton-hove.gov.uk)

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Date of Publication - Wednesday, 3 June 2015

<b>Subject:</b>	<b>Constitutional Matters – Policy &amp; Resources Committee</b>		
<b>Date of Meeting:</b>	<b>11 June 2015</b>		
<b>Report of:</b>	<b>Head of Legal &amp; Democratic Services</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Ross Keatley</b>	<b>Tel: 29-1064</b>
	<b>Email:</b>	<a href="mailto:ross.keatley@brighton-hove.gov.uk">ross.keatley@brighton-hove.gov.uk</a>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

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

- 1.1 To provide information on the Policy & Resources Committee's terms of reference and related matters including the appointment of its Urgency Sub-Committee and the Personnel Appeals Panel.

**2. RECOMMENDATIONS:**

- 2.1 That the Committee's terms of reference, as set out in Appendix A to this report, be noted; and
- 2.2 That the Committee establish an Urgency Sub-Committee (the membership of such Urgency Sub-Committee shall consist of the Chair of the Committee, and two other Members nominated by the Group Leader or Leaders as appropriate to meet the requirements for the allocation of seats between political groups) to exercise its powers in relation to matters of urgency, on which it is necessary to make a decision before the next ordinary meeting of the Committee be approved.
- 2.3 That the Committee establish the Personnel Appeals Panel (the membership of such Personnel Appeals Panel shall consist of a minimum of three and maximum of four Members from the pool of trained Members, any Member will be able to sit on an appeals panel and substitute for any designated member of the Panel) to deal with appeals in accordance with agreed personnel procedures, the Terms of Reference are set out at Appendix B to this report.
- 2.4 That the Committee note Full Council agreed to disapply the proportionality rules so far as the Personnel Appeals Panel is concerned in accordance with the Local Government (Committees and Political Groups) Regulations 1990.

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

- 3.1 Article 6 of the constitution incorporates a schedule of all the Committees and Sub-committees of the Council established in the constitution, together with a summary of their respective functions.

#### **The Policy & Resources Committee – Terms of Reference**

- 3.2 A copy of the terms of reference for the Committee is attached in Appendix A. These should be read in the context of the 'Introduction and General Delegations' included in the Scheme of Delegations to Committees and Sub-Committees at part 4 of the constitution.

#### **Membership**

- 3.3 The membership of the Committee is set at 10 Members of the Council.
- 3.4 The arrangements governing attendance of substitute Members at meetings of Committees and Sub-Committees are set out in Council Procedure Rules 18 to 24.

#### **Programme Meetings**

- 3.5 Ordinary meetings of the Policy and Resources Committee are scheduled to take place on the following dates during 2015/16:

Thursday 11 June 2015  
Thursday 9 July 2015  
Thursday 15 October 2015  
Thursday 3 December  
Thursday 21 January 2016  
Thursday 11 February 2016 (Budget)  
Thursday 17 March 2016

- 3.8 Meetings of the Committee will normally be held at Hove Town Hall and will start at 4.00 p.m. For the 2015/16 municipal year, meetings will be held in The Brighelm Centre at 4.00pm due to renovation work at Hove Town Hall.

#### **Urgency Sub-Committee**

- 3.9 The constitution states that each Committee of the Council except the Audit & Standards Committee may appoint an Urgency Sub-Committee to exercise its powers. The membership of such Urgency Sub-Committee shall consist of the Chair of the Committee, and two other Members nominated by the Group Leader or Leaders as appropriate to meet the requirements for the allocation of seats between political groups. Under current allocations this would mean an Urgency Sub-Committee will consist of one Member from each of the three political groups on the Council.
- 3.10 Urgency Sub-Committees may exercise their powers in relation to matters of urgency on which it is necessary to make a decision before the next ordinary meeting of the Committee. Every decision of each Urgency Sub-Committee is



required to be reported for information to the next ordinary meeting of the Committee as appropriate.

### **Personnel Appeals Panel**

- 3.11 A copy of the terms of reference for the Committee is attached in Appendix B. These should be read in the context of the 'Introduction and General Delegations' included in the Scheme of Delegations to Committees and Sub-Committees at part 4 of the constitution.

### **Membership**

- 3.12 A pool of trained Councillors will be maintained for this Sub-Committee and members of the pool will be called on in the first instance to form an appeals panel. However, any Councillor will be able to sit on an appeals panel and substitute for any designated member of the Sub-Committee

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

- 4.1 The Council's constitution provides for the appointment of Sub-Committees and Urgency Sub-Committees. It is for the Policy & Resources Committee to determine this action and it could decide not to make such appointments. However, this would restrict the ability of the Council to deal with urgent matters and is not therefore regarded as a viable alternative option.

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

- 5.1 Full Council has considered and approved the Brighton & Hove City Council constitution, most recently on 26 March 2015.

## **6. CONCLUSION**

- 6.1 The recommendations are being put forward in line with the requirements of the constitution.

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

### Financial Implications:

- 7.1 The costs of establishing and running the Urgency Sub-Committees are expected to be met within existing levels of resources. The cost of holding the committee meetings at the Friends Centre have been included in the overall Workstyles Programme for the move to Hove Town Hall and will be reported to the Policy & Resources Committee at a later date.

*Finance Officer Consulted: Peter Francis*

*Date: 08.15.15*

Legal Implications:

- 7.2 The Council's constitution complies with the legal framework set out in the Localism Act 2011, the Local Government Act 2000 and other relevant legislation.

*Lawyer Consulted:*

*Elizabeth Culbert*

*Date: 11.05.15*

Equalities Implications:

- 7.3 There are no equalities implications arising from the report

Sustainability Implications:

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

Any Other Significant Implications:

- 7.5 None

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Policy & Resources Committee Terms of Reference
2. Personnel Appeals Panel Terms of Reference

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

1. None

### **Background Documents**

1. The Constitution of Brighton & Hove City Council



## TERMS OF REFERENCE OF COMMITTEES

### POLICY AND RESOURCES COMMITTEE

#### Explanatory Note

This Committee has overall responsibility for the financial and other resources of the authority, for developing the authority's strategy and policy based on national government and local priorities, and for the development of partnership working. It also has responsibility for many of the services delivered to residents and customers. Its specific functions are set out in the following paragraphs.

#### Delegated Functions

To exercise the functions of the Council as follows:

#### 1. Policy and Strategy

To formulate, co-ordinate and implement corporate policies and strategies and make decisions relating to such matters to the extent that they are not reserved to full Council.

#### 2. Finance and Other Resources

- (a) To establish the framework for the allocation, control and management of the Council's resources including finance, assets, IT, land and other property;
- (b) To formulate budget proposals for adoption by the Council;
- (c) To calculate of the Council Tax Base;
- (d) To make decisions or grant authorisations on expenditure in accordance with the requirements of financial standing orders;
- (e) To deal with all financial services, including risk management, insurance and external and internal audit arrangements;

#### 3. Partnerships

- (a) To set up, develop and review partnerships, including, but not limited to, the Local Strategic Partnership;
- (b) To co-ordinate, develop, adopt and review the Sustainable Community Strategy and make recommendations to full Council.

#### 4. Corporate Parenting

- (a) To discharge the Council's functions as Corporate Parent for its children in care and care leavers, in conjunction with relevant Council Committees, Partnership Boards and other agencies; and
- (b) To receive reports from the Corporate Parenting Board in relation to the Council's looked after children.

**5. Adult Learning and Employment**

- (a) To discharge the Council's functions under the arrangements with the Skills Funding Agency and Young People's Learning Agency for the provision of adult education; and
- (b) To discharge the Council's regarding the employment of physically disabled persons and youths, providing that the functions regarding youth employment shall be limited to the management of the existing establishment in Hove.

**6. Neighbourhood Renewal**

To discharge the Council's functions in respect of neighbourhood renewal, which include:

- (a) developing and implementing the neighbourhood renewal strategy for the City in order to narrow the gap between the most deprived neighbourhoods and the rest of the City, under the themes set by national Government of: housing, health, liveability, crime, education and employment and
- (b) acting as the accountable body for the neighbourhood renewal fund on behalf of the Local Strategic Partnership.

**7. Grants**

To deal with grants to community organisations and non-profit making bodies in the area of the Council providing that this shall not include grants in respect of educational charities which are the responsibility of the Children and Young People Committee.

**8. Management of Establishments**

To deal with all matters concerning establishments as are more particularly set out under the scheme of delegation to the Interim Lead Cultural Services.

**9. Catering Services in Council Establishments**

To deal with all matters in connection with the provision of catering services in Council establishments used primarily by Council employees.

**10. Best Value**

To establish the framework for the achievement of Best Value by the Council.

**11. Human Resources**

To establish the framework for human resources policies and procedures and discharge the Council's functions as an employer where this is exercisable by a Committee.

**12. Property Management**

- (a) To manage land held for the purposes of the functions of the Committee, corporately held property and land declared surplus to the requirements of a Committee or the service area of a Director or Interim Lead by the relevant Committee or Director or Interim Lead.
- (b) To authorise the acquisition or disposal of any land held by the Council providing that any proposal for the transfer of housing land which requires the consent of the Secretary of State shall be referred to full Council with recommendations.

**13. Appointment to outside bodies**

To appoint representatives to outside bodies between annual Council meetings where the timing is such that it will be more expedient for the appointment to be made by Policy & Resources Committee rather than full Council.

**14. Public Safety – Civil Contingencies**

To exercise the Council's functions in relation to emergency planning and business continuity, including the Council's functions under the Civil Contingencies Act 2004.

**15. Community Safety**

To co-ordinate the Council's functions regarding the police and public safety and to take such action as is necessary, including:

- (i) making consultative arrangements under the Police Act 1996;
- (ii) drawing up community safety plans;
- (iii) co-ordinating the Council's functions under the Crime and Disorder Act 1998 including the formulation, with other responsible authorities, of strategies for reducing crime and disorder and the making of child curfew schemes, providing that this shall not include the adoption of the Crime and Disorder Reduction Strategy.

**16. Communities**

To co-ordinate and lead on the Council's functions in connection with community engagement and voluntary organisations.

**17. Equalities**

To co-ordinate and lead on the Council's functions in relation to Equalities and Inclusion.

**18. Constitution**

- (a) To receive reports on and monitor the operation of the Constitution;
- (b) To make recommendations to Council or Overview & Scrutiny as Appropriate, with a view to improving the effectiveness, accountability and transparency of the decision-making process.

**19. Members' Allowances**

To consider the recommendations of the Independent Remuneration Panel and advise Council as appropriate.

**20. General Powers**

- (a) To discharge all other functions of the Council not specifically delegated to another Committee or reserved to full Council under the law, this scheme of delegation, standing orders or procedure rules;
- (b) To deal with matters referred to the Committee by other Committees or Sub-Committees as having corporate budgetary or policy implications.

**21. Sub-Committees, Task Groups and Consultation Forums**

To be responsible for the setting up, review and abolition of Joint Committees, Sub-Committees, permanent task groups, consultation forums and commissions.

**22. Miscellaneous Service Functions**

To exercise the Council's functions in relation to the following services/functions:

- (a) Electoral and ceremonial matters relevant to the Council;
- (b) Matters concerning the Fire Authority;
- (c) Legal services;
- (d) Complaints services;
- (e) Performance management
- (f) Corporate procurement;
- (g) Health and safety at work (in so far as it relates to the Council as an employer);



- (h) Revenues and Benefits, including Housing Benefit and Council Tax Benefit, the administration, collection and enforcement of Council Tax and Non-Domestic Rates;
- (i) Registration of births, deaths, marriages, partnerships and associated functions;
- (j) Local Land Charges;
- (k) Corporate Information and Communication Technology Services;
- (l) Corporate communications
- (m) Democratic services.



## **PERSONNEL APPEALS PANEL**

### **Explanatory Note**

This Panel has the status of a Sub-Committee of Policy & Resources Committee and will deal with appeals against dismissals, grading and other grievances in accordance with agreed personnel procedures.

### **Delegated Functions**

To exercise the functions of the Council in relation to determining appeals against dismissals, grading and other personnel related grievances in accordance with corporate policies and procedures.

**[NOTE:** a pool of trained Councillors will be maintained for this Sub-Committee and members of the pool will be called on in the first instance to form an appeals panel. However, any Councillor will be able to sit on an appeals panel and substitute for any designated member of the Sub-Committee.]



**BRIGHTON & HOVE CITY COUNCIL**

**POLICY & RESOURCES COMMITTEE**

**4.00pm 19 MARCH 2015**

**COUNCIL CHAMBER, HOVE TOWN HALL**

**MINUTES**

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

**PART ONE**

**148 PROCEDURAL BUSINESS**

**(a) Declarations of Substitutes**

148.1 Councillor Mitchell was present in substitution for Councillor Lepper.

**(b) Declarations of Interest**

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

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

148.3 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.

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

**149 MINUTES**

149.1 Councillor G. Theobald noted some formatting errors in the resolution at 138.16.

149.2 At 136.11 Councillor Peltzer Dunn noted that the second 'the' in the sentence should be removed.

149.3 That, with the above changes, the minutes of the last meeting held on 12 February 2015 were approved as a correct record and signed by the Chair.

**150 CHAIR'S COMMUNICATIONS**

150.1 The Chair gave the following communications:

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

I propose to change the order of the agenda and take the second item as Item 162 – Local Transport Plan 2015, together with the associated member letter from Cllr. Mears.

Welcome to the last P&R of the municipal year, my last P&R and the last P&R for some of my colleagues too. Much has been achieved in my time as Chair of this committee and a vast number of vital and difficult decisions have been made. I have always enjoyed having the privilege to highlight some of the achievements we have made as a council and I would like to do that today for one last time.

First off, congratulations to the Brighton and Hove Playbus team for winning the National Award for Best Playwork Team 2015. Their work to offer creative and enjoyable open access play sessions for children and to bring families together and give the city's kids a taste for active play outdoors has been justifiably acknowledged as the best in the country.

A big congratulations to everyone involved in the work with our partners on the Greater Brighton Investment Programme which led to us winning the Driving Growth award at the Local Government Chronicle Awards last week. A really fine example of the impressive sustainability work being done at Brighton and Hove City Council and something we should be extremely proud of as a city.

I'd also like to highlight the wonderful news that we now have over 200 businesses and charities in Brighton and Hove signed up to be Living Wage employers. Thank you to Martlets Hospice who helped us reach the landmark number and I am sure we will see many more of our city's businesses want to be a part of such an important initiative that improves the lives of those working in our local communities.

On that note I'd like to give a special thanks to my colleague Cllr Randall for being so active in supporting the Living Wage campaign and as many of you will know Bill is to stand down at the election so I would like to take this opportunity to thank him for all he has done in serving the people of Brighton and Hove over many years. I know everyone here will want to join me in saying good luck in your new endeavours and we look forward to your continuing participation in the affairs of the city, albeit from a different standing. You have been an exemplary public servant.

Another member of the committee, who is not here today but who will be standing down and retiring, is Cllr Lepper. I would also like to pay tribute to her and the sterling work she has done in the many years she has been representing the people of Hollingdean and Stanmer. We wish her all the best in her retirement."

**151 CALL OVER**

151.1 The following items were reserved for discussion:

- Item 154 Brighton & Hove City Council Corporate Plan And Medium Term Financial Strategy 2015-19
- Item 155 Asset Management Fund 2015/16
- Item 156 Planned Maintenance Budget Allocation 2015-16 And Programme of Works For The Council's Operational Buildings
- Item 157 South East Business Services and Central Services
- Item 160 Annual Investment Strategy 2015/16
- Item 161 Alternative Local Taxation
- Item 162 Local Transport Plan 2015
- Item 163 Seafront Investment Programme – Governance Arrangements
- Item 164 Options For The Store Between 67 & 67a St Andrews Road Portslade (Aka Portslade Police Station)
- Item 164A Proposal For The Development Of A New Secondary School In Brighton & Hove
- Item 167 Review Of The Constitution

151.2 The 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 155 Asset Management Fund 2015/16
- Item 158 Treasury Management Policy Statement 2015/16
- Item 159 Pay Policy Statement 2015/16
- Item 161A Education Capital Resources And Capital Investment Programme 2015/16
- Item 165 Tender For Coast Protection And Highway Structures Maintenance Contract
- Item 166 Procurement Of Schools Management Information System (Mis)

## **Part Two**

- Item 169 Waste Update Report

## **152 PUBLIC INVOLVEMENT**

- 152.1 The Chair welcomed Anne Markwick to the meeting and invited her to address the Committee in relation to her petition concerning 'the Continuation of Stanmer Park Horse Rescue Centre'.
- 152.2 Ms Markwick explained that the centre had been established in 2013 and since then approximately £2000 had been invested in repairs to the stables. Stanmer Village had supported the rescue centre from the onset as well as other community groups, and the horses were very popular with visitors to the park. The petition had been signed by individuals that had all seen the horses first hand, and Ms Markwick gave assurances about the living conditions of the horses.
- 152.3 The Chair thanked Ms Markwick for attending and noted that he was aware of the level of involvement by the tenants and the Council; whilst he understood concerns these related to tenancy matters which needed to be dealt with at the appropriate level within the organisation, and he asked that the Committee note the petition.

- 152.4 **RESOLVED:** That the Committee note the petition.
- 152.5 The Chair welcomed Valerie Paynter to the meeting and invited her to address the Committee in regard to her petition concerning 'the Compulsory Purchase of Medina House, Kings Esplanade, Hove'.
- 152.6 Ms Paynter explained that the petition followed on from the planning brief that had been agreed by the Economic Development & Culture Committee in 2013, local people were seeking compulsory purchase to protect the building. Since Medina House had been purchased from the previous Hove Borough Council it had been neglected and occupied by squatters leading to enforcement action by the Council. The planning history contained 17 applications, including some unimplemented consents, others for demolition and rebuild had been refused or withdrawn. The building remained of local and national historic importance leading to SaveHove's decision to ask that the building be compulsory purchased by the Council. It was argued the purchase could be a profitable investment for the Council; the petition gave the Council both a workable option and solution.
- 152.7 The Chair thanks Ms Paynter and stated:

"The City Council greatly regrets the current unsightly appearance of the Medina House site and would welcome an approach from the owners for a well-designed and appropriate development coming forward at the earliest opportunity. Whilst the Council does not rule out the use of compulsory purchase at some time in the future, it does not appear that the circumstances of Medina house warrant such action at this time.

The relevant legislation is to be found at Section 226 of the Town and Country Planning Act 1990; however, useful guidance is also found in Circular No. 06/2004. Officers have reviewed the requirements of the Act and consider that the onerous requirements are not met at this time.

The Council has no resources identified to purchase this site and any decision to purchase would require a business case to be in place which identifies that both sufficient funds are available and to demonstrate that it would be a financially viable investment for its future operation.

Despite the non-listed status of the building, since the fire we have written to Mr Taghan and applied some pressure requiring remedial works to be carried out to the building. We asked for the following works to be undertaken:

- Repair and re-secure the timber hoarding around the site and secure the building from any unauthorised intrusion or access.
- Secure the windows on the western elevation to prevent water ingress and protection from the elements with immediate effect.
- Repair and replace the windows on the western elevation including the replacement of glazing.
- Repaint the western elevation of the property to match the previously painted elements of the property.



We have been in constant communication with Mr Taghan since our first letter on 30<sup>th</sup> December and we last visited the site on 3<sup>rd</sup> March and the above works were being well progressed. (See attached photograph).”

152.8 **RESOLVED:** That the Committee note the petition.

152.9 The Chair noted there were no other petitions, deputations or public questions.

### 153 MEMBER INVOLVEMENT

153.1 The letter from Councillor Mears was considered under Item 162.

### 154 BRIGHTON & HOVE CITY COUNCIL CORPORATE PLAN AND MEDIUM TERM FINANCIAL STRATEGY 2015-19

154.1 The Committee considered a report of the Chief Executive in relation to Brighton & Hove City Council Corporate Plan and Medium Term Financial Strategy 2015-2019. The Corporate Plan was part of the Council’s policy framework, and set the overall direction for the Council over the coming four years; it also set the vision, principles and priorities which were shared with Brighton & Hove Connected. A draft version of the Corporate Plan was approved by the Committee on 4 December 2014 and it was recommended that the final version of the Corporate Plan and the Medium Term Financial Strategy 2015-19 be referred for adoption following the setting of the 2015/16 budget.

154.2 Councillor G. Theobald stated that he did not agree in principle with the reference at 3.14 to ‘the Medium Term Financial Strategy assuming the highest level of resources available form Council Tax each year without triggering a referendum.’ However, he went on to add that he welcomed many aspects of the Corporate Plan in particular the references to: efficiency; a smaller organisation; greater third sector involvement and provision; increased citizen role and a more connected city. Councillor G. Theobald queried why this approach had taken so long to come forward, and argued that should have been the long-term strategy when the administration moved away from the commissioning structure introduced by the previous administration. Reference was also made the increased role of regional bodies, and thanks were extended to the Policy Team for their work on the plan.

154.3 The Chair agreed that both the city region and the LEP would become more important going forward, and the Corporate Plan sought to build on the direction of travel over the last four years.

154.4 Councillor Morgan thanked Officers that had been involved in the production of the Corporate Plan; the plan would provide the framework for the next four years whilst allowing flexibility given the uncertain political outcome of the local elections.

154.5 The Chair then put the recommendations to the vote.

### 154.6 **RESOLVED**

1) That Policy & Resources Committee:

- (i) Approve the Medium Term Financial Strategy 2015-19 set out in Appendix 2.
- (ii) Consider the Corporate Plan 2015- 2019 set out in Appendix 1 and recommend it with or without amendment to Council for approval.

### **RESOLVED TO RECOMMENDED**

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

### **155 ASSET MANAGEMENT FUND 2015/16**

- 155.1 **RESOLVED:** That the Committee approve the recommended remaining allocations of Asset Management Fund bids totalling £0.275 million as detailed in paragraph 3.4 of this report.

### **156 PLANNED MAINTENANCE BUDGET ALLOCATION 2015-16 AND PROGRAMME OF WORKS FOR THE COUNCIL'S OPERATIONAL BUILDINGS**

- 156.1 The Committee considered a report of the Interim Executive Director for Finance & Resources in relation to Planned Maintenance Budget Allocation 2015-16 and Programme of Works for the Council's Operational Buildings. The report sought approval for the proposed 2015-16 allocations of improvement and essential repair works to civic offices, historic, operational and commercial buildings within the corporate planned maintenance budget and the social care planned work budget.
- 156.2 Councillor Sykes stated it was vital that works progress to avoid the liabilities becoming too great, much of this would need judgements from Officers, but there were elements of the budget that could be offset by future funding. The Chair noted that the Workstyles programme would reduce the number of operational buildings for the Council.
- 156.3 Councillor Peltzer Dunn welcomed the report, and it was clarified that the costs in the report took into account increased costs in the construction market generally.
- 156.4 The Chair then put the recommendations to the vote.
- 156.5 **RESOLVED:** That the Committee—
- 1) Approve the annual programme of planned maintenance works as detailed in Appendices 2 and 3, at a total estimated cost of £3,566,158; and,
  - 2) Grant delegated authority to the Assistant Director of Property & Design to procure the planned maintenance works and enter into contracts within this budget, as required, in accordance with Contract Standing Orders.

### **157 SOUTH EAST BUSINESS SERVICES AND CENTRAL SERVICES**

- 157.1 The Committee considered a report of the Interim Executive Director for Finance & Resources in relation to South East Business Services and Central Services. The

report explored the possibility for a shared service, and sought permission for the Council to become a founding member of South East Business Services (SEBS) to enable the Council to fully explore this option.

- 157.2 Councillor Sykes explained that there were two elements of the report: to make more sense of internal charges and recharges and explore the SEBS option further, it was noted that some central services were currently well streamlined and the authority performed well in CIPFA benchmarking.
- 157.3 Councillor A. Norman welcomed the report, but queried why these options had not been explored some years ago, as well as asking for more information on what becoming a founder member entailed. In response the Chair explained that the authority would not be committing to join the full committee, the authority would still be able to look at other options and proceed with SEBS were this to be considered the preferred option. The Chair also gave examples of the other areas of shared work taking place across the organisation. The Interim Executive Director for Finance & Resources added that the report provided the political mandate to work towards the best options for the organisation, whilst keeping all potential options open and work would be done with SEBS as they looked at the business case in much more detail.
- 157.4 Councillor Morgan welcomed the report, and agreed that the correct approach was to consider all options and noted it was important that as much information be shared with the staff and unions as possible.
- 157.5 Councillor G. Theobald welcomed the report as an opportunity to find the best solution, and congratulated Officers for their work.
- 157.6 Councillor Randall also welcomed the report and stated it was important the Council join as a founder; he was of the view there would be more of this collaborative working between local authorities in future.
- 157.8 The Chair then put the recommendations to the vote.
- 157.9 **RESOLVED:** That the Committee:
- 1) Approve full exploration of SEBs shared services as a founding member, including the business case development, whilst remaining open to alternative models in parallel. If appropriate, further approval to progress Joint Committee membership would be sought at a later stage.
  - 2) Notes the ongoing work to develop an internal trading model, which could be required for any future service delivery model.

## 158 TREASURY MANAGEMENT POLICY STATEMENT 2015/16

- 158.1 **RESOLVED:**
- 1) That the Committee note that there are no changes to the Treasury Management Policy Statement and Treasury Management Practices approved by Policy & Resources Committee on 20 March 2014.

- 2) That Policy & Resources approve the Borrowing Strategy as set out in Appendix 3 to this report.

## **159 PAY POLICY STATEMENT 2015/16**

- 159.1 **RESOLVED** - That the Committee recommends to Council the adoption of the pay policy statement 2015/16 attached at Appendix 1.

## **160 ANNUAL INVESTMENT STRATEGY 2015/16**

- 160.1 The Committee considered a report of the Interim Executive Director for Finance & Resources in relation to the Annual Investment Strategy 2015-16. The Local Government Act 2003 introduced a prudential capital finance system whereby levels of borrowing and investments were decided locally by local authorities. Guidance issued under the Act required a local authority to approve an annual investment strategy which gave priority to security and liquidity.
- 160.2 Councillor Sykes thanked the excellent work of the Treasury Management Team, and noted that the list of UK banks had been expanded; he recommended the report to the Committee.
- 160.3 Councillor A. Norman also thanked Officers for their excellent work which went on year on year.
- 160.4 Councillor Randall noted the consistently good work of the team, and welcomed the continued investment in mutual building societies.
- 160.5 The Chair then put the recommendations to the vote.
- 160.6 **RESOLVED TO RECOMMEND** - That the Committee recommend to Council the approval of the Annual Investment Strategy 2015/16 as set out in Appendix 1 to this report.

## **161 ALTERNATIVE LOCAL TAXATION**

- 161.1 The Committee considered a report of Head of Legal & Democratic Services in relation to Alternative Local Taxation. At the meeting on 4 December 2014 the Committee had considered a petition asking the Council to investigate the introduction of a 'more progressive form of local funding that will support life for the many, not just the few.' The Committee instructed Officers to bring a report to a future meeting and this report informed Members of the legal and financial implications of introducing a new system of local taxation as proposed by the petitioner.
- 161.2 Councillor Sykes explained he had formally proposed the report and thanked Officers for the work, whilst he agreed with much of the analysis that had been undertaken by the petitioner and the impact of Central Government cuts, he was not of the view there was a concrete proposal that could be taken forward. The Chair noted that any new system of local taxation would need to come forward from Central Government.

161.4 The Chair then put the recommendations to the vote.

161.4 **RESOLVED:** That the Committee notes the report.

## **161A EDUCATION CAPITAL RESOURCES AND CAPITAL INVESTMENT PROGRAMME 2015/16**

161A.1 **RESOLVED:**

- 1) That the level of available capital resources totalling £18.383 million for investment relating to education buildings financed from capital grant, revenue contributions and reserves set aside for primary places be noted.
- 2) That the Committee agree the allocation of funding as shown in Appendices 2 and 3 for inclusion within the council's Capital Investment Programme 2015/16.

## **162 LOCAL TRANSPORT PLAN**

162.1 The Chair highlighted there was a letter from Councillor Mears associated with this item, and he invited Councillor Mears to speak to her letter.

162.2 Councillor Mears stated that the Local Transport Plan (LTP) included plans to: grow the economy; reduce carbon emissions; increase safety and security; provide equality; improve wellbeing and enhance the public realm. Rottingdean High Street was currently used as a direct route to reach the A27, and there had been a large of amount of development in this area in the last four years. The High Street was used by approximately 14,000 cars each day, and she requested that further consideration be given to looking at Rottingdean High Street alongside other locations with similar characteristics. The pollution levels and traffic in the area was a concern for both residents and the Parish Council.

162.3 In response the Chair explained that if the plan were approved then Rottingdean High Street would be one of the areas for action.

162.4 **RESOLVED** – That the Committee note the Member Letter from Councillor Mears.

162.5 The Committee considered a report of the Executive Director for Environment, Development & Housing in relation to the Local Transport Plan (LTP) 2015. Local highways authorities had a statutory requirement to have a Local Transport Plan; the document outlined how the Council planned to manage and deliver transport in the future. The current LTP was approved in 2011, and, therefore it was considered an appropriate time to review and update the plan.

162.6 The Chair also invited Councillor Davey to introduce the plan as the Lead Member for Transport. Councillor Davey expressed thanks to the work of Officers involved in the drafting of the new plan, and the wide reaching engagement that had taken place. The aim of the strategy had been to put people at the centre of the thinking; rather than bracketing into different groups such as motorists and cyclists. Transport was the key to delivering growth within the city, and this would also impact on the greater Brighton

area. The document would also provide the basis for the authority to bid with both the evidence and the arguments underpinning this. Whilst there was money set aside for big schemes such as Valley Gardens; there was evidence that smaller sums of money could also have an impact.

- 162.7 Councillor Mitchell welcomed the main thrust of the report and the strategy, and noted that as the city grew a new plan was needed for the new challenges. She was disappointed to see the reduction in funding from Central Government, and queried how some of the funding was being used to bring forward the Valley Gardens Scheme on the basis that this would not be sustainable year on year. Councillor Mitchell felt that both of the other groups wished to push forward with the scheme without clarity around the funding, and she asked that this be reviewed. With this issue aside she would still support the approval of the plan.
- 162.8 Councillors Morgan asked a series of questions and Officers gave the following responses. The match funding for the Valley Garden's scheme would be approximately £1.1M from the LTP, of the £1.6M, and the rest would be from s106 agreements and other funds. The Valley Gardens scheme was due to 'break ground' in September 2015 and the scheme costs included a sum for new roads and road construction that would offset a lot of future maintenance – with a 20 to 25 year lifespan. There would be budget to provide measures for speed restriction to support the 20mph speed limit. There was a quality partnership with all local bus operators and the Council worked with them to development joint bids. Officers would come back to Councillor Morgan in relation to the listing of the Mazda Fountain and whether the reference to the number of Doctors surgeries included the recent closure of Eaton Place.
- 162.9 The Chair highlighted the decision to progress the works to the Madeira Arches would make the project much more cost effective.
- 162.10 Councillor G. Theobald welcomed the increased emphasis on road maintenance, and added that it was his view the authority had benefitted very well from Central Government funding, but this level of funding could not be expected in the long-term. In relation to the Valley Gardens scheme he stated that aspects involving the roundabout would have to come back before the Environment, Transport & Sustainability Committee for decision, and the Committee would be able to consider this in detail.
- 162.11 Councillor Randall highlighted that the city had almost double the national figure for people walking to work, and the highest in the south-east. The 20 mph scheme that was introduced some years ago in the Hanover area had physical measures to reduce speed, and he expected this would be the case elsewhere in the city.
- 163.12 The Chair then put the recommendation to the vote.
- 163.13 **RESOLVED TO RECOMMEND**
- 1) That the Committee recommends Council to approve the draft Local Transport Plan [LTP4], as attached in Appendix 2 in March 2015.

**RESOLVED**

- 2) That the Committee authorises the Executive Director for Environment, Development & Housing to make presentational and other minor changes to the Local Transport Plan and the report before its submission to full Council.
- 3) That the Committee approves the 2015/16 Local Transport Plan capital programme budget of £5.450 million for the Capital Renewal (Maintenance) and Integrated Transport work programmes set out in Appendix 3.
- 4) That the Committee approves funding for the LTP programme of £4.261 million from the LTP 2015/16 grant allocation as set out Appendix 3, and up to £1.189 million brought forward from the LTP 2016/17 grant allocation specifically to contribute towards the LTP capital renewal/maintenance block allocation to:
  - a) Complete the final phase of works on the King's Road Arches (east of the i360 site); and,
  - b) Enable the Executive Director of Environment, Development & Housing to work with the Head of Property & Design and Assistant Chief Executive to identify and review the potential opportunities presented by the structural condition of the now vacant, former West Street Shelter Hall and develop designs to rebuild the structure and revise the junction layout, as set out at paragraphs 3.15 to 3.17 of this report.

**163 SEAFRONT INVESTMENT PROGRAMME - GOVERNANCE ARRANGEMENTS**

- 163.1 The Committee considered a joint report of the Executive Director for Environment, Development & Housing and the Assistant Chief Executive. At the meeting of the Committee in on 22 January 2015 two further reports were agreed to report back; this first one outlined the draft Seafront Investment Plan, and identified potential investment, delivery and wider resource solutions to meet challenges.
- 163.2 The Chair noted that the Panel had demonstrated how important the seafront was to the city and its key role in the local economy.
- 163.3 Councillor Peltzer Dunn welcomed the programme, and noted that it was essential the work was carried out; however, he highlighted that the benefits needed to be for residents as well as tourists and the strategy should also have a focus on improvements in the west of the city. The Chair provided assurance that this would be the case.
- 163.4 Councillor Mitchell welcomed the report noting that she had chaired the Panel and it had been a very worthwhile piece of work. The Panel had been a welcome example of cross-party work, and she was pleased that the interdepartmental officer group had been progressed. Councillor Mitchell also noted that the seafront worked differently for different groups, and it was important that the Council maintain its relationship with the seafront traders.
- 163.5 The Chair then put the recommendations to the vote.

163.6 **RESOLVED:**

- 1) That the committee notes the Programme Brief (Appendix 1), Current Significant Projects (Appendix 2) and Governance Structure (Appendix 3) for the Seafront Investment Programme.
- 2) That the committee approves an allocation of £30,000 from the council's 2014/15 Strategic Investment Fund to support progress of the project.

**164 OPTIONS FOR THE STORE BETWEEN 67 & 67A ST ANDREWS ROAD PORTSLADE (AKA PORTSLADE POLICE STATION)**

- 164.1 The Committee considered a report of the Executive Director for Environment, Development & Housing in relation to Options for the store between 67 & 67A St Andrews Road Portslade (aka Portslade Police Station). The report set out the options for the future use if the building formerly used as the Portslade Police Station. The Police Station was built in 1908 and was currently held with the HRA.
- 164.2 Councillor Peltzer Dunn thanked Officers for the report and moved an amendment that recommendation at 2.1 read: 'Officers should proceed with the option to convert the building into one wheelchair accessible four bedroom family dwelling after six months if the Brighton & Hove Heritage Commission are unable to provide a community lead heritage provision.'
- 164.3 Councillor G. Theobald seconded the amendment stating that it would be appropriate for the building to be used for housing if the heritage option had not come forward after six months.
- 164.4 Councillor Hamilton noted that the naming of the site had led to some confusion and slowed the action of those wishing to pursue the heritage option. He considered the six month timescales appropriate and would support the proposed amendment.
- 164.5 The Chair confirmed with the proposer that it was the intent for the six months to start from the date of the decision taken at the meeting.
- 164.6 Councillor Randall stated he was disappointed with the amendment and noted the shortage of housing in the city, particularly accessible housing.
- 164.7 The Chair then put the proposed amendment to the vote which was **carried**.
- 164.8 The Chair then put the amended recommendation to the vote.
- 164.9 **RESOLVED:** That the Committee agrees that Officers should proceed with the option to convert the building into one wheelchair accessible four bedroom family dwelling after six months (from the date of this decision) if the Brighton & Hove Heritage Commission are unable to provide a community lead heritage provision.



**164A PROPOSAL FOR THE DEVELOPMENT OF A NEW SECONDARY SCHOOL IN BRIGHTON & HOVE**

- 164A.1 The Committee considered a report of the Executive Director for Children's Services in relation to the Proposal for the Development of a New Secondary School in Brighton & Hove. The report asked the Committee to consider a request from the Board of Governors of the University of Brighton that the Council provide a definitive in principle signal of support for the proposed secondary free school and for the University's sponsorship arrangements before the university committed to the detailed work required to prepare an application to the Department for Education.
- 164A.2 Councillor Shanks noted that there were bulge classes currently in some primary schools in the city that would, in time, need additional secondary schools places, she felt the option for a university supported secondary school was appropriate. It would also be important to ensure the school had an appropriate admissions policy.
- 164A.3 Councillor Morgan welcomed the report and noted that the need for additional secondary school places had been important for some years; whilst a local authority lead school would have been the most preferable option, an education provider led establishment was a welcomed option and the Council would work in close partnership with them.
- 164A.4 Councillor G. Theobald supported the proposal, noting his very high regard for Brighton University, whilst he would have preferred the authority to also have talks with other potential providers, he felt the proposal was more than appropriate.
- 164A.5 Councillor Randall shared Councillor G. Theobald's view that Brighton University would be a good partner.
- 164A.6 The Chair then put the recommendation to the vote.
- 164A.7 **RESOLVED:** That the Committee notes the information in this report and resolves to inform the University of Brighton of its in principle support for the university's proposal to submit an application to develop a secondary free school in the city.

**165 TENDER FOR COAST PROTECTION AND HIGHWAY STRUCTURES MAINTENANCE CONTRACT**

- 165.1 **RESOLVED:** That the Committee:
- 1) Approves the procurement of a framework agreement for maintenance works with a term of four years from 1 October 2015 to 30 September 2019; and,
  - 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.

## 166 PROCUREMENT OF SCHOOLS MANAGEMENT INFORMATION SYSTEMS (MIS)

166.1 **RESOLVED:** That the Committee authorise the Executive Director Finance & Resources to:

- 1) Award a call-off contract between the Council and Capita under the ESCC Framework Agreement for the provision of management information systems ('MIS') for maintained schools in Brighton & Hove for a period of four years. MIS are the primary suite of integrated business software applications for schools, covering all aspects of school management ranging from pupil admissions, registration, timetabling and assessment through to school financial management and human resources management. The aggregated data held in the MIS form the basis of school statutory returns and corporate management information.
- 2) Extend the initial term of the call-off contract for up to an additional two years, if the Executive Director Finance & Resources considers that it is still delivering value for money.

## 167 REVIEW OF THE CONSTITUTION - MARCH 2015

167.1 The Committee considered a report of the Head of Legal & Democratic Services in relation to a Review of the Council Constitution 2015. The report proposed changes to the Council's Constitution for approval by P&R and Council. The issues set out in the report had been reviewed by the cross-party Constitutional Working Group and included proposed changes to overview and scrutiny; establishing an advisory member procurement board; better use of technology for Council meetings and modifications to the delegations to Officers and Committees.

167.2 The Chair highlighted that introducing to electronic agendas was very much within scope, and some Members already used their own tablet devices to do this. He stated that policy panels would continue and could be commissioned by the Policy Committees, and the change of reporting for the Corporate Parenting Board made more logical sense given the remit of the Health & Wellbeing Board.

167.3 In response to a query from Councillor Peltzer Dunn the Head of Law explained that Members sitting on the Procurement Board would be trained in this area, but it was not envisaged the training would be any more onerous than training for Members on regulatory committees such as Planning and Licensing.

167.4 In response to a query from Councillor Randall the Head of Law explained that Tenant Scrutiny would be retained, and this would continue to be independent of the Housing Service.

167.5 The Chair then put the recommendations to the vote.

167.6 **RESOLVED** - That the Committee:

- 1) Recommends to full Council the proposed changes to the Council's constitution as set out in paragraphs 3.4 to 3.6 and Appendix 1 relating to Overview & Scrutiny arrangements and policy panels;
- 2) Approves the proposals set out at paragraph 3.7 and Appendix 2 to the report relating to establishing a Member Procurement Advisory Board;
- 3) Approves the proposals set out at paragraph 3.8 – 3.9 of the report relating to exploring remote attendance at meetings in specified circumstances;
- 4) Approves the proposals set out at paragraph 3.10 of the report relating to the use of electronic agendas;
- 5) Approves the proposals set out at paragraph 3.11-3.13 of the report relating to changes to the scheme of delegations to officers and committees.

**RESOLVED TO RECOMMEND** - That Council:

- 6) Approves and adopts the proposed changes to the Council's constitution recommended in paragraphs 3.4 to 3.6 and Appendix 1 of the report, relating to Overview & Scrutiny Arrangements and policy panels;
- 7) Authorises the Chief Executive and Monitoring Officer to take all steps necessary or incidental to the implementation of the changes agreed by the Policy & Resources Committee and Council and that the Monitoring Officer be authorised to amend and re-publish the Council's constitutional documents to incorporate the changes.

**168 ITEMS REFERRED FOR COUNCIL**

168.1 No additional items were referred to the next meeting of Council.

**169 WASTE UPDATE REPORT**

169.1 The Committee agreed the recommendations set out in the Part 2 report.

**170 PART TWO PROCEEDINGS**

170.1 **RESOLVED:** That the information contained in Item 169 remain exempt from disclosure to the press and public.

The meeting concluded at 6.08pm

Signed

Chair

Dated this

day of

2014

**Subject:** Petitions  
**Date of Meeting:** 11 June 2015  
**Report of:** Head of Law & Monitoring Officer  
**Contact Officer:** Name: Ross Keatley Tel: 29-1064  
E-mail: [ross.keatley@brighton-hove.gcsx.gov.uk](mailto:ross.keatley@brighton-hove.gcsx.gov.uk)  
**Wards Affected:** All

**FOR GENERAL RELEASE**

**1. SUMMARY AND POLICY CONTEXT:**

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

**2. RECOMMENDATIONS:**

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

**3. PETITIONS**

- 3.1 Notified petitions:

**(i) Save St Aubyns Playing Field in Rottingdean**

To receive the following ePetition

*“We the undersigned petition Brighton & Hove Council to reject any applications for planning permission to build on St Aubyns Playing Field and confirm its designation as a Local Green Space in its City Plan.*

*Justification:*

*Developers want to build around 120 houses and flats on the former St Aubyns school site in the centre of the historic downland village of Rottingdean. More than half of these houses and flats are proposed to be built on the playing field.*

- A development of this size will dramatically increase the number of vehicles along the A259 and on the village’s other, heavily congested, minor roads.*
- The increase in traffic will, in turn, increase the vehicle pollution levels in the village which, on the High Street, already breach European Union legal limits. This pollution is a threat to the health of the village’s children and elderly in particular.*
- The loss of the field as an open green space would mean the loss of a valuable amenity to the community. If the field is protected it could be used once again for outdoor recreation in order to benefit the health and social well-being of residents and future generations.*
- The village infrastructure (e.g. sewers, parking, schools and doctors’ surgeries) would be put under an intolerable strain by such a large scale development.*
- A construction project of the magnitude of 120 houses and flats, in the centre of this historic village, with all the attendant heavy vehicles, plant and machinery, would cause even higher levels of congestion, noise and dirt over at least a period of 2 years.*

*Additional Information*

*In 2014 Brighton and Hove City Council, working in conjunction with Rottingdean Parish Council, produced a draft Planning Brief for the former St Aubyns School site. In January 2015 this was approved by BHCC and it supports the preservation or enhancement of the Field for public use and also encourages its use for outdoor recreation in order to secure improvements in the health and social well-being of the local community.*

*Rottingdean Parish Council has since passed a resolution to designate the Field as a Local Green Space in its Neighbourhood Plan. The next step, to save the Field and secure its future for the public for ever, is for Brighton Council to designate the Field as Local Green Space in its City Plan. The more representations that are made to BHCC by the public to support this the more likely it is to do it.*

*Your views count and so please support this petition and help save the Field, and the future of Rottingdean and its residents.”*

Lead Petitioner: Lynne Moss (St Aubyns Field Evergreen - SAFE!)





Penny Thompson - Chief Executive  
Brighton & Hove City Council  
King's House

28<sup>th</sup> May 2015

Dear Penny

I would like this letter included on the agenda for the Policy & Resources Committee meeting of 11<sup>th</sup> June under Council Procedure Rule 23.3.

As the busy Summer season approaches and with a new Council Administration in place, I would like urgent consideration to be given to the Council and Sussex Police more effectively dealing with unauthorised encampments on sensitive sites across Brighton & Hove. This issue was highlighted recently with the encampments on the Burial Ground at Woodingdean, Surrenden Field, St. Helen's Green and Hollingbury Park.

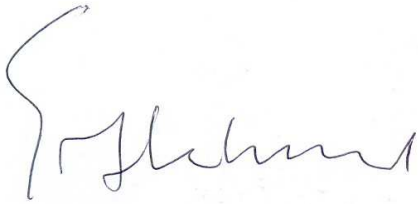
In particular, I would like to see the protocol used by the Council and Sussex Police for dealing with unauthorised encampments reviewed as I do not believe that it is working in the best interests of the permanent residents of this city. To give just one example, it still doesn't appear as if any Council officers are on call or on duty out-of-hours to deal with encampments which seem to occur regularly after 5pm on a Friday.

There are so many examples of travellers causing criminal damage to break on to sites yet little seems to be done to bring the perpetrators to justice. I have seen the destruction of the chalk wildflower/butterfly bank in Hollingbury Park not once but twice in the last 6 months or so and all the fantastic work by the local volunteers, the Friends of Hollingbury and Burstead Woods, ruined. Similar situations have occurred at Withdean Park, much to the distress of the Friends of Withdean Park Group, who give so much of their time to look after and improve it for residents. How can these situations be tolerated?

On two separate occasions during 2012 and 2013 the Conservative Group put down Notices of Motion to Council requesting the adoption of a specific Sensitive Sites Protocol and, on the second occasion asking the Chief Executive to organise an urgent meeting between Council Officers, the Chief Superintendent of Brighton & Hove Division of Sussex Police and the Leaders of the 3 political groups on the Council to try and resolve this. Sadly, neither of these suggestions were supported. Since then, both I and the new Green Group Convenor have suggested alternative approaches to managing this issue in Brighton & Hove. No doubt the new Leader of the Council will also have his own views on how the Council should deal with unauthorised encampments. Therefore, I would suggest that an urgent review takes place both of the existing protocol and of the wider approach to unauthorised

encampments – an issue which, if not dealt with now, will cause community relations to deteriorate, and the considerable costs to the council tax payer to rise, still further.

Kind regards

A handwritten signature in black ink, appearing to read 'G Theobald', written over a faint, circular official stamp.

Cllr. Geoffrey Theobald

**NOTICE OF MOTION**

**GREEN GROUP**

**DEVELOPMENT OF 2016-17 COUNCIL BUDGET**

In the expectation that the 2016-17 BHCC budget will need to plan for further cuts and savings of at least £20m after £95m of cuts since 2011, this Committee and this Council resolve to make all efforts to engage city residents, businesses and the third sector in budget development this year. Specifically this Committee and Council resolve not to reduce in extent or duration the public consultation on detailed budget proposals in comparison with that undertaken for the 2012-13 to 2015-16 financial years under the previous administration and furthermore resolve to publish detailed budget proposals including Equality Impact Assessments by mid-December 2015.

Proposed by: Councillor Sykes

Seconded by: Councillor Mac Cafferty

Supported by: Councillors Deane, Druitt, Gibson, Greenbaum, Knight, Littman, Page, Phillips, and West.



**NOTICE OF MOTION**

**GREEN GROUP**

**TEMPORARY TRAVELLERS SITE**

Following the announcement by the Labour administration of a speedy review of policy with respect to management of unauthorised encampments in the city, this Committee resolves as part of this review to urgently revisit its decision of October 2014 (agenda item 67) concerning the use of a site at Hangleton Bottom as a temporary Travellers transit site whilst the transit site at Horsdean is closed due to construction.

Proposed by: Councillor Mac Cafferty

Seconded by: Councillor Sykes

Supported by: Councillors Deane, Druitt, Gibson, Greenbaum, Knight, Littman, Page, Phillips, and West.



<b>Subject:</b>	<b>Targeted Budget Management (TBM) Provisional Outturn 2014/15</b>		
<b>Date of Meeting:</b>	<b>11 June 2015</b>		
<b>Report of:</b>	<b>Executive Director of Finance &amp; Resources</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Nigel Manvell</b>	<b>Tel:</b> 29-3104
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<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

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

- 1.1 The Targeted Budget Monitoring (TBM) report is a key component of the council's overall performance monitoring and control framework. This report sets out the provisional outturn position on the council's revenue and capital budgets for the financial year 2014/15.
- 1.2 The final outturn position is subject to the annual external audit review. The final position will be shown in the council's financial statements which must be signed by the Chief Finance Officer by 30 June 2015 and the audited set approved by the Audit & Standards Committee by 30 September 2015.
- 1.3 The report shows that overall the council has achieved a position very close to break-even without recourse to its financial reserves or working balance despite a number of financial challenges including:
- Delivery of a substantial savings programme of £16.7m in 2014/15 meaning that savings of £77m have been achieved over the last 4 years;
  - Growing cost and demand pressures across Adults and Children's social care services which were reported throughout the year;
  - The need to manage the impact of uncertain economic conditions as well as the impact of welfare reforms on critical income streams including Council Tax and the Council Tax Reduction Scheme, business rates, commercial rents, parking incomes and cultural service and event revenues;
  - The need to accommodate significant one-off increases in financial provisions for doubtful debts in the accounts at year-end;
  - Maintaining critical investment in key partnership initiatives, modernisation programmes and value for money improvements to ensure services continue to develop to meet future demands and Corporate Plan priorities.
- 1.4 Although substantial savings have been achieved in 2014/15, it is clear from the report that an annualised approach to budget setting and savings is becoming increasingly difficult to sustain and deliver. During 2014/15 the release of risk

provisions of £2.1m was required together with a significant number of one-off corrective actions in order to mitigate planned savings that could not be achieved in full. Over the period of the 5-year Medium Term Financial Strategy (MTFS) to 2019/20, a budget gap of £102m is forecast, starting from the assumption of no council tax increases, requiring very substantial cost reductions and savings. A longer term approach to service and financial planning, aligned with Corporate Plan priorities, will be needed to ensure that there is effective planning, one-off investment and lead-in time to implement changes in public services that can achieve the priorities whilst achieving cost reductions over the MTFS period.

## **2 RECOMMENDATIONS:**

- 2.1 That the Committee note the total provisional outturn position for the General Fund, which is an underspend of £0.003m. This consists of an underspend of £2.362m on council controlled budgets, an overspend of £0.259m on the council's share of the NHS managed Section 75 services and and net one-off contributions to provisions of £2.100m.
- 2.2 That the Committee note the provisional outturn for the Housing Revenue Account (HRA), which is an underspend of £0.243m.
- 2.3 That the Committee note the provisional outturn position for the Dedicated Schools Grant which is an underspend of £1.453m.
- 2.4 That the Committee approve carry forward requests totalling £4.211m as detailed in Appendix 2.
- 2.5 That the Committee approve the creation of the earmarked reserves as set out in paragraph 6.6.
- 2.6 That the Committee note the provisional outturn position on the capital programme.
- 2.7 That the Committee approve the following changes to the capital programme.
  - i) The variations and reprofiles in Appendix 4 and the new schemes as set out in Appendix 5.

## **3 CONTEXT / BACKGROUND INFORMATION**

### **Targeted Budget Management (TBM) Reporting Framework**

- 3.1 The TBM framework focuses on identifying and managing financial risks on a regular basis throughout the year. This is applied at all levels of the organisation from Budget Managers through to Policy & Resources Committee. Services monitor their TBM position on a monthly or quarterly basis depending on the size, complexity or risks apparent within a budget area. TBM therefore operates on a risk-based approach, paying particular attention to mitigation of growing cost pressures, demands or overspending together with more regular monitoring of high risk 'corporate critical' areas as detailed below.
- 3.2 The TBM report is normally split into 8 sections as follows:
  - i) General Fund Revenue Budget Performance



- ii) Housing Revenue Account (HRA) Performance
- iii) Dedicated Schools Grant (DSG) Performance
- iv) NHS Controlled S75 Partnership Performance
- v) Capital Investment Programme Performance
- vi) Capital Programme Changes
- vii) Implications for the Medium Term Financial Strategy (MTFS)
- viii) Comments of the Director of Finance (statutory S151 officer)

### General Fund Revenue Budget Performance (Appendix 1)

3.3 The table below shows the provisional outturn for Council controlled revenue budgets within the General Fund. These are budgets under the direct control and management of the Executive Leadership Team. More detailed explanation of the variances can be found in Appendix 1.

Forecast Variance Month 9 £'000	Directorate	2014/15 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
96	Children's Services	55,104	55,062	(42)	-0.1%
2,316	Adult Services	64,833	66,676	1,843	2.8%
655	Environment, Development & Housing	38,644	39,233	589	1.5%
209	Assistant Chief Executive	15,734	15,411	(323)	-2.1%
(48)	Public Health (incl. Community Safety & Public Protection)	3,688	3,566	(122)	-3.3%
(890)	Finance, Resources & Law	32,011	30,108	(1,903)	-5.9%
2,338	Sub Total	210,014	210,056	42	0.0%
(2,192)	Corporate Budgets	2,045	(359)	(2,404)	-117.6%
146	Total Council Controlled Budgets	212,059	209,697	(2,362)	-1.1%

3.4 The General Fund includes general council services, corporate budgets and central support services. Corporate budgets include centrally held provisions and budgets (e.g. insurance) as well as some cross-cutting value for money savings targets. Note that General Fund services are accounted for separately to the Housing Revenue Account (Council Housing). Note also that although part of the General Fund, financial information for the Dedicated Schools Grant is shown separately as this is ring-fenced to education provision (i.e. Schools).

#### Corporate Critical Budgets

3.5 There are a number of budgets that carry potentially higher financial risks and therefore could have a material impact on the council's overall financial position. These are significant budgets where demand or activity is difficult to predict and

where relatively small changes in demand can have significant implications for the council's budget strategy. These therefore undergo more frequent and detailed analysis during the year.

- 3.6 Forecasts for these budgets were based on prevailing activity levels and commitments but these fluctuated significantly over the year. Mitigating recovery actions can change the financial position in relation to these areas substantially, even for small changes in activity levels but the opposite also applies, hence the reason for closer scrutiny of these areas.

Forecast Variance Month 9 £'000	<b>Corporate Critical</b>	2014/15 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
1,494	Child Agency & In House	19,515	21,131	1,616	8.3%
1,860	Community Care	41,052	42,600	1,548	3.8%
(308)	Sustainable Transport	(11,891)	(12,207)	(317)	-2.7%
510	Temporary Accommodation	1,266	1,773	507	40.0%
(485)	Housing Benefits	(613)	(1,217)	(604)	-98.5%
3,071	Total Council Controlled	49,329	52,080	2,750	5.6%

- 3.7 It is clear that demand-led services across Adults and Children's social care and homelessness (temporary accommodation) have been under considerable pressure and this has been borne out in the final outturn position. The use of £1.5m risk provisions was therefore required during the year to offset growing demand. As these trends were apparent at the time of setting the 2015/16 budget, service pressure funding of £4m was identified to help manage the position next year. More information about 2014/15 performance is provided in Appendix 1.

### **Carry Forward Requests (Appendix 2)**

- 3.8 Under the council's Financial Regulations, the Director of Finance<sup>1</sup> may agree carry forwards of up to £0.050m per member of the Corporate Management Team (up to a maximum of £1m in total) if it is considered that this incentivises good financial management. However, as the council's financial position is more difficult, carry forwards have only been allowed this year where there is clear evidence of a prior commitment that was not able to be completed or undertaken by the end of the financial year. Fortuitous underspends have not been allowed as carry forwards. A total of £0.221m has been agreed for 6 service areas to ensure planned commitments can be met in 2015/16.
- 3.9 Policy & Resources Committee approval is required for carry forward requests in excess of £0.050m. These include grant funded and non-grant funded carry

<sup>1</sup> Director of Finance is a generic term used in Financial Regulations meaning the Chief Financial Officer or S151 Officer, which in this council is the Executive Director Finance & Resources

forwards totalling £4.211m and have been included in the outturn figures above. The principles outlined in paragraph 3.8 above also apply. An analysis of these is provided in Appendix 2 split into two categories as follows.

- i) The non-grant funded element of this totals £1.358m. These items have been proposed where funding is in place for existing projects or partnership working that crosses over financial years and it is therefore a timing issue that this money has not been spent in full before the year-end.
- ii) The grant funded element totals £2.853m. Under current financial reporting standards, grants received by the council that are unringfenced or do not have any conditions attached are now recognised as income in the financial year they are received rather than in the year in which they are used to support services. Prior to 2011/12 these unspent grants would have automatically rolled into the next financial year to fund the commitments against them but now they need to be agreed as part of the carry forward requests. Within the total of £2.853m, a sum of £1.453m relates to the Dedicated Schools Grant. Under the Schools Finance Regulations, the unspent part of the DSG must be carried forward to support the schools budget in future years.

### **Value for Money (VfM) Programme (Appendix 3)**

- 3.10 Each TBM report has quantified progress against VfM savings targets in terms of those savings that have been 'achieved', those that were 'anticipated' to be achieved and those that remained 'uncertain'. As we are now at the year-end, the position is reported as 'achieved' or 'unachieved' savings.
- 3.11 As at the year-end £6.081m VfM savings were achieved against an original target of £9.917m. This indicates that achieving savings has been considerably more challenging in 2014/15 than in previous years. In particular, while cost and placement efficiencies continue to be achieved in Adults and Children's social care, they have been suppressed by increasing demand and complexity of need throughout the year.
- 3.12 The unachieved savings have been mitigated by one-off corrective action or other measures during the year alongside the release of risk provisions. Some of these measures may be ongoing, for example increased Continuing Health Care income in Adult Social Care, but as they do not relate to the original VfM programme aims, they have not been counted as VfM savings. The clear indication is that a more fundamental change of approach is required over the longer term if costs are to be effectively reduced or contained against demand pressures. More information about VfM savings programmes is provided in Appendices 1 and 3.

### **Housing Revenue Account Performance (Appendix 1)**

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

Forecast Variance Month 9 £'000		2014/15 Budget Month 12 £'000	Forecast Outturn Month 12 £'000	Forecast Variance Month 12 £'000	Forecast Variance Month 12 %
	<b>HRA</b>				
121	Expenditure	58,941	58,619	(322)	-0.5%
(62)	Income	(58,941)	(58,862)	79	0.1%
<b>59</b>	<b>Net Expenditure</b>	-	<b>(243)</b>	<b>(243)</b>	<b>0.0%</b>
(600)	Transfer from Reserves	-	-	-	0.0%
<b>(541)</b>	<b>Total</b>	-	<b>(243)</b>	<b>(243)</b>	<b>0.0%</b>

### Dedicated Schools Grant Performance (Appendix 1)

- 3.14 The Dedicated Schools Grant (DSG) is a ring-fenced grant which can only be used to fund expenditure on the schools budget. The schools budget includes elements for a range of services provided on an authority-wide basis including early years education provided by the Private, Voluntary and Independent (PVI) sector, and the Individual Schools Budget (ISB) which is divided into a budget share for each maintained school. The provisional outturn is an underspend of £1.453m and more details are provided in Appendix 1. Under the Schools Finance Regulations any underspend must be carried forward to support the schools budget in future years.

### NHS Managed S75 Partnership Performance (Appendix 1)

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

Month 9 Forecast Variance £'000		2013/14 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
	<b>Section 75</b>				
395	NHS Trust managed S75 Services	11,950	12,209	259	2.2%

## Capital Programme Performance and Changes

3.17 The Capital programme spans more than one financial year and therefore monitoring is different to that of the annual revenue budget. Performance needs to be looked at from 5 different viewpoints at the end of the year as follows:

- i) Forecast Variance: The 'variance' for a scheme or project indicates whether it is expected to be break-even, underspent or overspent. Information on how forecast overspends will be mitigated is given in Appendix 4. If the project is completed, any underspend or overspend will be an outturn variance. Generally, only explanations of significant forecast variances of £0.050m or greater are given.
- ii) Budget Variations: These are changes to the project budget within year, requiring members' approval, and do not change future year projections. The main reason for budget variations is where capital grant or external income changes in year.
- iii) Slippage: This indicates whether or not a scheme or project is on schedule. Slippage of expenditure from one year into another will generally indicate overall delays to a project although some projects can 'catch up' at a later date. Some slippage is normal due to a wide variety of factors affecting capital projects however substantial amounts of slippage across a number of projects could result in the council losing capital resources (e.g. capital grants) or being unable to manage the cashflow or timing impact of later payments or related borrowing. Wherever possible, the council aims to keep slippage below 5% of the total capital programme.
- iv) Reprofiling: Reprofiling of expenditure from one year into another is requested by project managers when they become aware of changes or delays to implementation timetables due to reasons outside the council's control. Reprofiling requests are checked in advance by Finance to ensure there is no impact on the council's capital resources before they are recommended to Policy & Resources.
- v) IFRS changes: These accounting changes are necessary for the council to comply with International Financial Reporting Standards (IFRS) for the Statement of Accounts. This concerns the determination of items of expenditure as either capital or revenue expenditure. Only items meeting the IFRS definition of capital expenditure can be capitalised; expenditure not meeting this definition must be charged to the revenue account. This accounting exercise is undertaken as part of the closure of accounts process and therefore IFRS changes only appear in the outturn TBM report. Where significant changes have occurred an explanation is contained in Appendix 4.

3.18 The table below provides a summary of capital programme performance by Directorate and shows that there is an overall underspend of £0.371 m which is detailed in Appendix 4.

Month 9 Forecast Variance £'000	<b>Capital Budgets</b>	2014/15 Capital Budget £'000	Provisional Outturn £'000	Provisional Outturn Variance £'000	Provisional Outturn Variance %
0	Children's Services	10,494	10,487	(7)	-0.1%
0	Adult Services	454	454	0	0.0%
0	Environment, Development & Housing – General Fund	19,128	18,906	(222)	-1.2%
(791)	Environment, Development & Housing - HRA	28,928	28,954	26	0.1%
0	Assistant Chief Executive	9,590	9,590	0	0.0%
0	Public Health	294	294	0	0.0%
0	Finance, Resources & Law	6,095	5,927	(168)	-2.8%
0	Corporate Services	25	25	0	0.0%
(791)	<b>Total Capital</b>	<b>75,008</b>	<b>74,637</b>	<b>(371)</b>	<b>-0.5%</b>

(Note: Summary may include minor rounding differences to Appendix 4)

- 3.19 Appendix 4 shows the changes to the budget and Appendix 5 provides details of new schemes added to the Capital Programme after TBM month 9 still to be approved and new schemes for 2015/16. Policy & Resources Committee's approval for these changes is required under the council's Financial Regulations. The following table shows the movement in the capital budget since approval in the month 9 report.

<b>Capital Budget Movement</b>	<b>2014/15 Budget £'000</b>
<b>Summary</b>	
Budget approved at Month 9	89,466
Changes reported through other Committees	154
IFRS/Other Changes (to be noted)	723
Reprofiling of Budget (to be approved)	(13,283)
Slippage (to be approved)	(2,052)
<b>Total Capital</b>	<b>75,008</b>

- 3.20 Appendix 4 also details any slippage into next year. In total, project managers have forecast that £2.052m of the capital budget may slip into the next financial year and this equates to 2.7% of the budget.

## **Implications for the Medium Term Financial Strategy (MTFS)**

- 3.21 The council's MTFS sets out resource assumptions and projections over a longer term. It is periodically updated including a major annual update which is included in the annual revenue budget report to Policy & Resources Committee and Full Council. This section highlights any potential implications for the current MTFS arising from in-year TBM monitoring above and details any changes to financial risks together with any impact on associated risk provisions, reserves and contingencies. Details of Capital Receipts and Collection Fund performance are also given below because of their potential impact on future resources.
- 3.22 The forecast outturn position at Month 9 is a key factor in the budget setting process. At Month 9, TBM showed a forecast overspend of £0.541m. This was accounted for in assessing the level of one-off resources available to support the 2015/16 budget. At provisional outturn, this has now improved to a position of £2.103m underspend. This therefore releases £0.541m general reserves set aside to manage the projected overspend which, together with the outturn underspend of £2.103m, provides resources of £2.644m to manage year-end provisions as set out in Paragraph 6.4.

### **Capital Receipts Performance**

- 3.23 Capital receipts are used to support the capital investment programme. For 2014/15 a total of £3.830m capital receipts (excluding 'right to buy' sales) have been received in connection with the disposal of Hove Park Depot, 18 Market Street, deposits for the Preston Barracks project and 251-253 Preston Road plus lease extensions at Warren Way, Priory House and a number of lease extensions at the Marina.
- 3.24 The Government receives a proportion of the proceeds of 'right to buy' sales with a proportion required by the council to repay debt; the remainder is retained by the council and used to fund the capital programme. The total net usable receipts for 'right to buy' sales in 2014/15 is £3.036m including £2.561m available for replacement homes.

### **Collection Fund Performance**

- 3.25 The collection fund is a separate account for transactions in relation to council tax and business rates. Any deficit or surplus forecast on the collection fund relating to council tax is distributed between the council, Sussex Police & Crime Commissioner and East Sussex Fire Authority whereas any forecast deficit or surplus relating to business rates is shared between, the council, government and East Sussex Fire Authority.
- 3.26 The collection fund for council tax had a surplus of £0.640m at 31 March 2015 which is an improvement from the previously forecast surplus of £0.230m (council share £0.196m) which was included in the 2015/16 budget. The additional surplus mainly arose from a lower than anticipated award of student exemptions. The council's share of the additional surplus is £0.350m and this will provide an additional income source to the council and will be included in the budget forecasts for 2016/17.

3.27 The council's share of the surplus on the collection fund for business rates at 31 March 2015, after allowing for repayment of the safety net grant and compensation grants for government funded reliefs, is £1.720m. This is £0.130m above the £1.590m included in the budget projections for 2015/16 and this additional income will be factored into the 2016/17 budget forecast for business rates.

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

4.1 The provisional outturn position on council controlled budgets is an underspend of £2.362m. The council's share of the provisional overspend on NHS managed Section 75 services is £0.259m, resulting in a net underspend of £2.103m. Compared with the forecast overspend of £0.541m at budget setting time (TBM month 9), for which general reserves were set aside, this represents an improvement in resources of £2.644m. However, net one-off contributions to increased provisions for doubtful debts of £2.641m, as set out in section 6 below, mean that the overall position is practically at break-even (£0.003m underspend). There are therefore no options for consideration with regard to the use/treatment of any underspend or overspend.

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

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

#### **6 CONCLUSION AND COMMENTS OF THE CHIEF FINANCIAL OFFICER**

6.1 The TBM position on directorate and corporate budgets shows a positive improvement since Month 9 of £2.644m indicating that corporate financial management has been effective in a challenging environment with increasing demands and that the pressures and risks identified throughout the year have been successfully mitigated.

6.2 As shown in Table 1, the council's General Fund budget is very substantial with a net budget of £224m. However, this is made up of Gross Expenditure of approximately £402m and Income of £178m. As all items of expenditure and income are separately projected, this means that there are forecasts for budgets of £580m which can therefore move in either direction – favourable or adverse. In this context, the outturn position shows an overall favourable movement of £2.644m (less than 0.5%) compared with the December (Month 9) forecast last reported to Policy & Resources Committee. There are practical reasons as to why the outturn has moved in this direction as follows:

- 1) Forecasting at budget setting time (December) must be particularly prudent. While budget holders, particularly those forecasting overspends, may be planning a number of actions to improve the position by year-end (e.g. attracting one-off funding or income, or planning one-off spending restrictions), unless there is robust evidence for these measures at budget setting time, they cannot be taken into account. This is because they would not pass the test of robustness required by Section 25 of the Local Government Act 2003 meaning that the council may not meet the legal requirement to set a balanced budget. This generally means that the position will often improve over time compared to the prudent forecast position that must be taken at budget setting time.



- 2) This year, a more robust approach to agreeing Carry Forwards of underspends or unspent funds has been put in place. In the past, Carry Forwards were generally processed by Finance using a set of principles agreed with the Chief Finance Officer, but these are now reviewed by Executive Leadership Team with a view to recommending Carry Forwards only where a prior spending or contractual commitment has been evidenced. This process has reduced the number of Carry Forwards allowed or recommended for approval and therefore has improved the outturn position.
- 3) The council operates 'commitment' forecasting. This is a prudent approach that works on the basis of all purchase orders, contractual commitments, employment contracts, etc being assumed to be a) expended, and b) continuing unless an end date is recorded. There can be a timing lag with this approach as commitments can be amended or cancelled at a later date depending on when the necessary information is received.

In addition to the above reasons, the outturn improvement includes a small number of unexpected or fortuitous improvements of significant value, which, while welcome, will be reviewed to consider whether or not improved forecasting or prediction is possible in future.

6.3 Alongside movements on budget forecasts, there can also be significant movements in reserves and provisions during the year. However, generally, these usually become apparent at budget setting time or at year-end because this is when detailed reviews of reserves and provisions for liabilities and contingencies are undertaken. In the outturn position for 2014/15 there is an overall adverse movement of £2.641m in this regard which is explained as follows:

- a) The council makes provisions for bad and doubtful debts (known as 'impairments') each year. As the council is collecting debts of over £300m each and every year, these provisions can be very substantial as they relate to debts raised over many years amounting to well over £1billion. Normally, debts over 6 years old cannot legally be recovered and generally the older a debt the greater the impairment provision will need to be as the likelihood of recovery reduces with time. The impairment provision in 2013/14 was £13.602m and this will need to increase to £20.307m in 2014/15 with the most significant items being:
  - i. A change in methodology for calculating the provision relating to Penalty Charge Notices is required. Based on current evidence and practice, historic PCN debts have a lower probability of being collected than the previous methodology assumed. This requires an increased impairment provision of £1.425m. £0.159m of this impact has been met by the service in-year, while the remaining £1.266m has been met corporately.
  - ii. The Sundry Debtor impairment provision needs to increase by £3.244m. This is principally because amounts owed by the council's previous Cash-in-Transit provider at the time it went into Administration must now be regarded as a doubtful debt. The debts owing by the provider were reduced from £4.746m to £3.243m through swift action and legal challenge when serious concerns about their performance and financial

standing were first detected and the council is now pursuing recovery of remaining funds through insolvency practitioners. However, impairment provision for the remaining sum is required because at this time officers are not able to assess whether or not recovery will ultimately be successful. Members are advised that this matter has been reported to the Audit & Standards Committee who will continue to receive updates on the position.

- iii. There is uncertainty regarding the liability for insurance of properties transferred to the management of Brighton & Hove Seaside Community Homes Ltd. These debts, valued at £0.196m, must be regarded as doubtful until liability for insurance is determined. There are also increased doubtful debt provisions required for Seaside rents (£0.232m) and Temporary Accommodation rents (£0.181m). These are due to a straightforward increase in the number of tenancies rather than an increase in the proportion of people falling into rent arrears.
- iv. A change in the age structure of council tax debts arising from the implementation of the Council Tax Reduction Scheme and general economic conditions means that the Council Tax impairment provision needs to increase by £0.257m. Note, this does not correlate to collection performance, which remains high, because although the provision for doubtful debt is higher, the level of in-year debt write-off is lower. Similarly, the business rate impairment has increased by £0.188m which is purely related to the higher level of rates billed rather than any impact on collection performance.

Some of the above provisions have been anticipated in advance, for example, the Seaside insurance debts have also been mitigated through effective management of the overall finances for this contract during the year. Increases in Council tax and business rate bad debt write offs and provisions (impairments) are taken into account in producing collection fund estimates for the year. Overall, £4.510m of these provisions were not previously anticipated and require corporate funding.

- b) The council also makes provision for severance payments relating to the redundancy of staff following the restructure or redesign of services; often supported by voluntary severance schemes. Provision for these costs is difficult to predict with accuracy as people can often leave the council before the planned redundancy situation occurs, or they can be redeployed therefore negating redundancy. Following consultation processes, the posts expected to be deleted in a planned service redesign can also change compared with the original intention. Assessment at the year-end indicates that the provision should be reduced by £0.884m.
- c) The council maintains an Insurance Fund which is assessed by an independent actuary and which covers risks for which the council has elected to self-insure or for which policies are not available on the market. In both cases, this will be on the basis of a value for money judgement. The actuary's latest report advises that the council's effective management of insurance risk, including the low level of claims and excess payments under the new insurance contract, means that the Insurance Fund can be reduced by £0.985m.

- 6.4 Taking the above adverse and favourable movements in provisions (£2.641m), together with the increased resources available from the TBM underspend (£2.644m), means that the council has been able to achieve a break-even position for 2014/15. This is summarised in the table below.

<b>Movements in Provisions:</b>	<b>£'000</b>
Unfunded increases in Impairment provisions (for doubtful debts)	4,510
Reduced Voluntary Severance Provision	(884)
Actuarial reduction to the Insurance Fund	(985)
<b>Total Movements</b>	<b>2,641</b>
2014/15 General Fund Underspend	(2,103)
Amount set aside in reserves (at budget setting time) for Month 9 forecast overspend	(541)
<b>Total Available Resources</b>	<b>(2,644)</b>
<b>Net Underspend</b>	<b>(3)</b>

- 6.5 Importantly, this position demonstrates that the council is financially resilient and is able to manage the impact of exceptional items, financial risks and changes in demand that can and have materialised through the year. This is made possible through the maintenance of adequate and appropriate provisions, reserves and balances and demonstrates the importance of maintaining these at appropriate levels as potential financial pressures and risks increase in future years.

#### **New Earmarked Reserves**

- 6.6 As mentioned earlier in the report, requests for carry forward of underspends have been scrutinised more closely this year and considered by the Executive Leadership Team. As part of this process, it became clear that a number of carry forwards related to items that should more properly be transferred to an earmarked reserve because spending plans clearly spanned one or more financial years. Rather than carry forward these unspent funds, it is proposed to establish new earmarked reserves to support ongoing projects in the following areas.

<b>Directorate</b>	<b>Description</b>	<b>Reason for Reserve</b>	<b>£'000</b>
Children's Services	Stronger Families, Stronger Communities Reserve	This national programme covers a number of financial years.	300
Environment, Development & Housing	Offender Management Reserve	This national programme covers a number of financial years.	36
Environment, Development & Housing	Building Control Fee Earning Reserve	To separately account for Building Control fee earning activity as recommended by CIPFA. However, there is no contribution in 2014/15 as outturn position was a deficit.	0

ACE	Community Banking Partnership	There is a clear investment programme covering more than one year.	276
Public Health	Sex Establishment, Street Trading and Gambling Act Licensing Reserve	To separately account for surpluses and potential future deficits on the trading account.	41
Public Health	Taxi Licensing	To separately account for Taxi Licensing trading account activity. However, there is no contribution in 2014/15 as the outturn position was a deficit.	0
<b>Total</b>			<b>653</b>

## 7 FINANCIAL AND OTHER IMPLICATIONS

Financial Implications:

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

*Finance Officer Consulted: Jeff Coates* *Date: 18/05/15*

Legal Implications:

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

*Lawyer Consulted: Elizabeth Culbert* *Date: 15/05/15*

Equalities Implications:

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

Sustainability Implications:

- 7.4 Although there are no direct sustainability implications arising from this report, the council's financial position is an important aspect of its ability to meet Corporate Plan and Medium Term Financial Strategy priorities. The achievement of a break-even position is therefore important in the context of ensuring that there are no adverse impacts on future financial years from performance in 2014/15.

Risk and Opportunity Management Implications:

- 7.5 In 2014/15 the council's revenue budget and Medium Term Financial Strategy contained risk provisions to accommodate emergency spending, even out cash flow movements and/or meet unexpected changes in demands. The council maintains a recommended minimum working balance of £9.000m to mitigate these risks. The council also maintains other general and earmarked reserves and contingencies to cover specific project or contractual risks and commitments.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Revenue Budget Performance
2. Carry Forward Requests
3. Value for Money Programme Performance
4. Capital Programme Performance
5. New Capital Schemes

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

None.

### **Background Documents**

None.

## Appendix 1 – Revenue Budget Performance

### Children’s Services - Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2014/15 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(2)	Director of Children's Services	2,523	2,513	(10)	-0.4%
(80)	Education & Inclusion	(262)	(443)	(181)	-69.1%
(37)	SEN & Disability	7,129	7,216	87	1.2%
1,337	Children's Health, Safeguarding and Care	37,023	38,397	1,374	3.7%
(1,122)	Stronger Families, Youth & Communities	8,691	7,379	(1,312)	-15.1%
96	Total Revenue – Children’s Services	55,104	55,062	(42)	-0.1%

### Explanation of Key Variances

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Effect on 2015/16 Budget
<b>Director of Children’s Services</b>			
(10)	Director	Minor underspend variance.	
<b>Education &amp; Inclusion</b>			
(82)	Home to School Transport	The underspend of £0.082m reflects the reduction in number of children being transported during the year. The number of children (422) being transported as at the end of March is a reduction of over 20 pupils from the previous term. The overall Home to School budget for 2015/16 has been reduced. A detailed analysis was undertaken monthly with the budget holder for each area of the budget and the final position. The main area of underspending related to Hired Transport £0.044m and other costs amounted to £0.038m.	
(99)	Other	Minor underspend variances	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Effect on 2015/16 Budget
<b>SEN &amp; Disability</b>			
82	Corporate Critical - Disability Agency Placements	The actual number of disability placements in 2014/15 was 17.45 FTE. The average unit cost of these placements was £1,890.62 following additional DSG contributions to residential placements. The number of placements was 3.95 FTE above the budgeted level, with the average weekly cost being £371.97 lower than the budgeted level. The combination of these two factors together with the underspend of £0.046m on respite placements, resulted in an overspend of £0.082m.	
73	Direct Payments	The initial outturn estimate for Direct Payments - Disabled Children indicated an overspend of approximately £0.130m. The actual outturn figure of £0.73m is a result of a review of agreed packages but also takes into account a spike in costs in March. This is a particularly 'volatile' budget area and subject to significant variation due to new cases being agreed and current cases ceasing. Therefore Finance will continue to liaise closely with the budget holder in 2015/16 with a view to ensuring robust projections..	
42	Preventive Payments	The previous estimate, based on expenditure in months 1 to 9 and taking into account the 2013/14 outturn for Preventive Payments – Disabled Children, indicated an overspend of approximately £0.025m. However additional costs incurred in March have resulted in a £0.016m movement. This area will need to be monitored closely on a monthly basis in 2015/16 as it is subject to a significant element of variation dependent on identified need.	
(112)	CAMHS	Use of Public Health funding £0.080m and staff turnover £0.032m.	
2	Other	Minor overspend variance	
<b>Children's Health, Safeguarding &amp; Care</b>			
1,410	Corporate Critical - Children's	The 2014/15 number of residential placements (31.10 FTE) is broken down as 26.54 FTE social care residential placements (children's homes), 4.25 FTE schools placements, 0.30 FTE	This budget area indicates a significant increase in demand for which service pressure funding of



**Appendix 1 – Revenue Budget Performance**

<b>Key Variances £'000</b>	<b>Service</b>	<b>Description</b> (Note: FTE/WTE = Full/Whole Time Equivalent)	<b>Effect on 2015/16 Budget</b>
	Agency Placements	<p>family assessment placements and 0.00 FTE substance misuse rehabilitation placements. The budget allowed for 21.20 FTE social care residential care placements, 5.00 FTE schools placements, 1.25 FTE family assessment placements and 0.50 FTE substance misuse rehab placements. The average unit cost of these placements is £193.41 per week below the budgeted level, with the most significant unit cost saving in residential homes. Overall the number of placements were 3.15 FTE above the budgeted level, and this combined with the unit cost saving described above resulted in an overspend of £0.170m.</p> <p>The numbers of children placed in independent foster agency (IFA) placements began to fall during 2012/13 and that trend continued in the early months of 2013/14, however, since then numbers have started to increase. During 2013/14 there were 165.76 FTE placements and the final number of placements in 2014/15 was 175.56 FTE, an increase of 5.9%. The budget for IFA placements was based on the falling trend of the previous two years and was set at 135.80 FTE which has been exceeded by 39.76 FTE placements resulting in an overspend of £1.114m.</p> <p>During 2014/15 there were 1.92 FTE secure (welfare) placements and 1.08 FTE secure (justice) placements. The budget allowed for 1.00 FTE welfare and 0.75 FTE justice placements during the year. This has resulted in an overspend of £0.126m</p>	£2.1m has been provided in the 2015/16 budget.
(12)	Corporate Critical-In House Foster Payments	As part of the children's VFM programme, there is an ongoing attempt to increase the recruitment of in-house foster carers. This did not progress as well as anticipated in 2014/15 and there were 29.46 FTE less children placed than allowed in the	

**Appendix 1 – Revenue Budget Performance**

<b>Key Variances £'000</b>	<b>Service</b>	<b>Description</b> (Note: FTE/WTE = Full/Whole Time Equivalent)	<b>Effect on 2015/16 Budget</b>
		budget. However, there were considerably more children placed with family and friends carers or under special guardianship orders than anticipated in the budget and the combination of these factors resulted in an underspend of £0.012m in in-house placements.	
136	Corporate Critical - 16+Services	The budget for 16+ services is split across 4 client types. Care Leavers, Ex- Asylum Seekers, Looked After children and Preventive. Across these services the budget allowed for 53.65 FTE young people and the final number of young people in placements during 2014/15 was 59.67 FTE. The accommodation costs therefore overspent by £0.090m, and the non-accommodation costs were £0.046m greater than the allocated budget resulting in an overall overspend of £0.136m.	
496	Social Work Teams	The overspend £0.496m across the social work teams is primarily the result of the ongoing use of agency staff. Attempts were made to address this through the over-recruitment of staff but staff turnover meant that additional agency staff were still required. In addition, there has been a significant increase in referrals for a social work service which has required the appointment of additional agency staff to ensure that workloads are safe.	Following the first phase of a redesign last year which led to the establishment of the Multi Agency Safeguarding Hub and the Assessment Service there will shortly be consultation on redesigning the remainder of the service. It is anticipated that this will reduce dependency on agency staff.
(273)	Legal Fees	Lower expenditure in the year resulted in an underspend of £0.173m on Legal, Counsel and Court Fees. In addition, a provision of £0.100m identified in 2013/14 for legal costs relating to adoption proceedings was not required. This budget is now being used to provide in house assessments for pre-court proceedings which will provide efficiencies and impact on addressing children's needs in a timely and effective way.	
(194)	Adoption Services	There have been significant changes to the inter-agency fee structures in recent years which have been supported by the Adoption Reform grant. The underspend in this service is a result of the increased recruitment of adoptive parents and the	

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Effect on 2015/16 Budget
		income generated from other agencies. This has been significantly higher this year than in previous financial years.	
356	Section 17 Preventive	This overspend of £0.356m relates to the increased costs of the housing recharge for homeless families due to a rise in the number of families needing accommodation and an increase in expenditure charged to the No Recourse to Public Funds budget. A detailed analysis will be undertaken and made available as required.	
113	Support Through Care Team	The overspend relates mainly to the use of locum social workers in the first part of the year. The 14+ team budget was merged with the Support Through Care Team to provide greater financial flexibility and ease of management across the service. Analysis of demand led to an increase in staffing allocation which has subsequently reduced spend.	
(112)	Contact Supervision	The underspend in the Contact supervision service relates to less than anticipated use of sessional workers used to supervise contact and a significant underspend in the transport budget.	The overall budget for this service has been reduced in 2015/16.
(82)	Social Work Performance Team	Use of Public Health funding	
(149)	Youth Offending Service	The underspend in this area mainly related to staff turnover.	
(91)	Time for Change	Recruitment to key post not actioned as anticipated	
(224)	Other	Minor underspend variances	
<b>Stronger Families, Youth &amp; Communities</b>			
(321)	VFM Commissioning	It was agreed that Public Health would fund the Family Nurse Partnership on an ongoing basis. The original council funding of £0.240m came from a spend to save business case agreed through the VFM project board. As this funding was no longer required an underspend accrued. This was included within the	

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Effect on 2015/16 Budget
		Children's Services budget savings for 2015/16. The remaining underspend related to the residual VFM commissioning budget which was unallocated.	
(138)	Early Help Hub	The underspend in the Early Help Hub predominantly relates to funding for a contract that is not required until 2015/16. In addition there was a vacant operations manager post and the part year effect of setting up the service part way through the year.	
(262)	Troubled Families	The total underspend for this service of £0.858m is a result of the success in developing a 3-year budget plan with staggered recruitment to the Integrated Team for Families and significantly more income being realised in relation to payment by results funding. In December Policy & Resources Committee agreed to carry forward £0.596m of this to 2015/16 leaving the reported underspend of £0.262m. Of the £0.596m carried forward, £0.296m is included in the carried forward requests in Appendix 2 and £0.300m is recommended to be transferred to a Stronger Families, Stronger Communities Reserve.	
(139)	Youth Service		A number of posts have been held vacant across the youth service in advance of full year savings in the 2015/16 budget.
(368)	Early Years	A number of underspends followed the restructure of staffing in the children's centres precipitated by the work on the 2015/16 budget savings. In addition £0.090m for early years childcare inclusion is now funded from DSG.	
(84)	Other	Minor underspend variances	

## Appendix 1 – Revenue Budget Performance

### Adult Services – Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2014/15 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
1,374	Adults Assessment	50,420	51,496	1,076	2.1%
1,459	Adults Provider	13,868	15,203	1,335	9.6%
(517)	Commissioning & Contracts	545	(23)	(568)	-104.2%
2,316	Total Revenue - Adult	64,833	66,676	1,843	2.8%

### Explanation of Key Variances

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Effect on 2015/16 Budget
		The key variances across Adult Social Care are as detailed below:	
<b>Adults Assessment</b>			
See below	Assessment Services	Assessment Services is showing an overspend of £1.076m (2.1% of net budget), which is an improvement of £0.298m from Month 9. The overspend is largely reflecting the increased levels of complexity and need being experienced across all client groups and the overspend is broken down as follows: -	This budget area indicates a significant increase in demand for which service pressure funding of £2.0m has been provided in the 2015/16 budget alongside £0.8m resources from the Better Care Fund.
1,089	Corporate Critical - Community Care Budget (Learning Disabilities)	Learning Disabilities have overspent by £1.089m. The overspend is largely due to a shortfall in expected savings of £0.805m, cost pressures from service users moving from hospital placements and community based/Supported Accommodation services replacing Residential Care. The overspend also includes projected costs from ordinary residence backdated claims.	
142	Corporate	Under and Over 65's are reporting an overspend £0.459m,	

**Appendix 1 – Revenue Budget Performance**

<b>Key Variances £'000</b>	<b>Service</b>	<b>Description</b> (Note: FTE/WTE = Full/Whole Time Equivalent)	<b>Effect on 2015/16 Budget</b>
	Critical - Community Care Budget (Physical & Sensory Support - Under 65's)	<p>which is an improvement of £0.311m from Month 9. The overspend relates to cost pressures from increased complexity in the needs of clients. The improvement since Month 9 is a result of a review of approved agreements against actual payments and associated forecast assumptions which were found to have over-projected activity.</p> <p>During the year the service has been responding to pressures in the hospital setting; these pressures were funded in part by the Clinical Commissioning Group (£0.850m against assessment). Senior managers scrutinised activity and complexity in order to manage pressures as far as possible which was reflected in forecasts during the year.</p>	
317	Corporate Critical - Community Care Budget (Physical & Sensory Support -Over 65's)	As above, during the year the service has been responding to pressures in the hospital setting; these pressures were funded in part by the CCG (£0.850m against assessment). Senior managers scrutinised activity and complexity in order to manage pressures as far as possible which was reflected in forecasts.	
(8)	Hostel Accommodation	The outturn forecast shows an underspend of £0.008m.	
(464)	Support & Intervention Teams	The underspend is a result of the allocation of costs against the Helping People Home grant (£0.054m), replacing direct revenue funding for Minor Adaptations with unallocated Adult Social Care Capital grant (£0.182m), staff savings across the service of £0.172m and other unplanned income of £0.057m.	
<b>Adults Provider</b>			
1,335	Adults Provider	Provider Services are reporting a pressure of £1.301m from under-achievement of savings targets (2014/15 targets and previous years targets in 2012/13 and 2013/14) after the allocation of £0.500m risk provision funding agreed at P&R	

**Appendix 1 – Revenue Budget Performance**

<b>Key Variances £'000</b>	<b>Service</b>	<b>Description</b> (Note: FTE/WTE = Full/Whole Time Equivalent)	<b>Effect on 2015/16 Budget</b>
		Committee in July 2014. The overspend also includes service pressures against Respite Services (£0.206m), Supported Accommodation Services (£0.067m) and Resource Centres for Older People (£0.296m) reflecting the complexity of service users' needs. These are being offset by underspends against Non Residential Services (£0.365m), Residential Services (£0.078m), Supported Employment (£0.085m) and Provider Management Costs (£0.007m).	
<b>Commissioning &amp; Contracts</b>			
(568)	Commissioning & Contracts	The underspend is as a result of Older People and HIV Preventative contracts totalling £0.250m and £0.235m respectively being funded by the Public Health Grant and utilisation of the Better Care Fund towards Care Act implementation costs (£0.120m). This is partially offset by other overspends across the service of £0.037m. Within this position there is an overspend as a result of the assessment and contract costs of dealing with Deprivation of Liberty Safeguards which is a statutory function and £0.173m of these costs were funded from corporate contingency.	

## Appendix 1 – Revenue Budget Performance

### Environment, Development & Housing - Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2014/15 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(114)	Transport	23	(172)	(195)	-848.8%
252	City Clean & City Parks	23,350	23,594	244	1.0%
(21)	City Regeneration	1,015	952	(63)	-6.2%
40	Planning & Building Control	2,497	2,608	111	4.4%
157	Total Non Housing Services	26,885	26,982	97	0.4%
498	Housing	11,759	12,251	492	4.2%
655	Total Revenue - Environment, Development & Housing	38,644	39,233	589	1.5%

### Explanation of Key Variances:

Key Variances £'000	Service	Description	Effect on 2015/16 Budget
<b>Transport</b>			
99	Head of Transport	This overspend largely relates to consultancy and additional agency costs required for additional support for one-off projects such as the Highways Asset Management Plan, Business Change and training on new engineering contracts in preparation for use of new Consultancy Framework Contracts that will improve project and programme delivery.	
(99)	Highways	The most significant underspends are within the Traffic Signals and Information (£97k) budgets where required maintenance has been less than	Is it expected that the highway inspections overspend will not be an on-going pressure as these costs are likely to be recoverable in the



**Appendix 1 – Revenue Budget Performance**

Key Variances £'000	Service	Description	Effect on 2015/16 Budget
		budgeted, as well as highways enforcement generating net £0.082m greater revenue than budgeted. These offset various overspends including £0.079m in the New Road and Street Works service largely due to staffing and professional fees for overseeing utility works (including legal and expert advisor fees regarding a dispute with an external utility company over historic re-instatements) which are not fully covered by the income received.	future under a proposed highways permit scheme.
9	Highways Engineering	Minor overall variance in this service. The overspend position largely relates to Highways Engineers' employee costs where the forecasted value of works rechargeable to capital projects is less than budgeted; this is largely due to there being insufficient rechargeable time in the current financial year.	Budgets relating to staff costs rechargeable to capital projects are to be reviewed as part of a restructure within the Transport service.
(317)	Corporate Critical - Parking	<p>Overall the corporate critical parking budget underspent by £0.317m. The main components of this are:</p> <ul style="list-style-type: none"> <li>• A surplus of £0.505m from on-street parking income. This forecast incorporates new parking zones being introduced this financial year and a 2.5% increase in transactions. Evidence from various major event organisers in the city has suggested increased attendances which are likely to increase demand for parking.</li> <li>• Under-achievement of income of approximately £0.083m relating to off-street car parks. There have been several factors resulting in reduced income at The Lanes car park, including the end of a contractual</li> </ul>	

**Appendix 1 – Revenue Budget Performance**

Key Variances £'000	Service	Description	Effect on 2015/16 Budget
		<p>agreement with the Thistle Hotel and a Southern Water mains sewer collapse on Black Lion Street causing access issues. There have been some offsetting increases of transactions at other car parks.</p> <ul style="list-style-type: none"> <li>• There is a net income shortfall of £1.197m due on the Penalty Charge Notice (PCN) budget. £1.334m of the variance is due to required contributions to the bad debt provision following a detailed review of outstanding PCNs which has identified the need for a greater write off of historic and uncollectable fines than previously estimated. This is partly offset by £0.138m of PCN in-year income being greater than budget, where the number of PCNs cases has increased by 4.9% compared to previous financial years.</li> <li>• Surplus income of £0.697m has been achieved from parking permits. This has resulted from increased demand, removal of waiting lists for certain permits and the expected introduction of new and extended controlled parking zones.</li> <li>• Surplus income of £0.098m for leased car parks. Contractual arrangements in place are expected to result in greater income than budgeted, as well as reducing unsupported borrowing costs.</li> <li>• Underspend of £0.288m on unsupported borrowing costs where the repayment of previous years capital programmes are reducing and new schemes have not yet</li> </ul>	<p>The 2015/16 budgets have been reviewed and realigned to address the large underspends for various income types and to fund the ongoing pressure of increased annual contributions required to the bad debt provision due to a necessary change of methodology. This can be accommodated within the overall parking budget and will not therefore have an adverse impact on the financial position in 2015/16.</p>

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Effect on 2015/16 Budget
		<p>begun.</p> <ul style="list-style-type: none"> <li>Other variances include an overspend variance of £0.012m on car park premises budgets largely due to business rates costs at Trafalgar Street car park where transitional rate relief has ended this financial year. There is a £0.030m underspend on maintenance in advance of the reduction of pay and display machines. Other minor variances total £0.009m.</li> </ul>	
4	Transport Planning & Road Safety	Minor overall variance.	
109	Transport Policy	The variance is due to under-achievement of staff costs recharged to capital projects of £0.096m. There are also minor supplies and service overspends and offsetting underspends in salary costs.	Budgets relating to staff costs rechargeable to capital projects are to be reviewed as part of a restructure within the Transport service.
<b>City Clean &amp; City Parks</b>			
(79)	City Clean and Parks Management	There is an employee budget underspend within this section of £0.047m where vacancies are currently being held. The City Clean and Parks management section holds centralised budgets for staff training and other fees which have been managed to a £0.032m underspend.	
293	City Clean Operations	There is an outturn overspend position of £0.171m relating to the City Clean Operations employee budget. There are a number of reasons for this overspend including additional costs associated with industrial action resulting in temporary additional rounds and additional weekend working; high absence rates have also resulted in increased levels of agency recruitment. There is also a	A vehicle replacement programme is in place which will reduce unplanned maintenance and repairs costs in 2015/16.

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Effect on 2015/16 Budget
		£0.172m overspend in transport related expenditure due to spot hire of vehicles which are required to support additional waste collection rounds, a large number of the existing fleet requiring repairs and maintenance as they are at the end of their useful life, and the need to hire additional vehicles in response to industrial action. These overspends are partly offset by other variances within the operations services of £0.037m. Overspends also include one-off historic utilities costs at public conveniences and emergency premises costs at Hollingdean Depot which are offset by managed vacancies and other minor underspends.	
34	City Parks Operations	Rottingdean mini golf course has been let at a peppercorn rent resulting in an income pressure of £0.024m and £0.001m additional costs of managing the site. There are a number of variances within the City Parks Operations section with a net overspend of £0.009m; vacancy management in advance of a service redesign and management of equipment and materials usage has been put in place to offset overspends within the service area.	Several attempts have been made to remarket the site with an appropriate use on a commercial basis, however no viable commercial proposal has been forthcoming.
(4)	Fleet Management	Minor underspend variance.	
<b>City Regeneration</b>			
(28)	Economic Development	The underspend largely relates to the one-off grant funding of some employee costs which had not	

**Appendix 1 – Revenue Budget Performance**

<b>Key Variances £'000</b>	<b>Service</b>	<b>Description</b>	<b>Effect on 2015/16 Budget</b>
		been budgeted for.	
(1)	Major Projects	Minor underspend variance	
(34)	Sustainability & International	The underspend largely relates to vacancy management within the service resulting in an employee underspend of £0.027m as well as minor underspends in other supplies & services and one-off external contributions.	
<b>Planning &amp; Building Control</b>			
(4)	Head of Planning & Building Control	Minor underspend of supplies and services.	
9	Building Control	A £0.009m overspend has been identified within the Building Control service. This is the net position of the service after taking into account underspends on the salary budget and an underachievement on income.	Fees charged are reviewed annually and are set with the intention to recover the full cost of the service.
266	Development Control	An employee overspend of £0.091m is due to delays to the implementation of a service redesign and long term sick absences resulting in increased use of agency staff. A £0.133m under-achievement of planning application fee income has changed since the Month 9 forecast largely due to delays in a large application after an appeal submission and lower than expected applications in the final quarter of the financial year. There are also other overspends of £0.042m which are largely due to unavoidable one-off legal costs in relation to a public inquiry at the northern end of Toads Hole Valley and a hearing on Church Street, Brighton.	The service redesign has now been implemented. Income from planning applications fluctuates between years and the variance is not expected to be an ongoing pressure. The overspend on legal costs is considered to be unavoidable and one-off.
(160)	Planning Strategy & Projects	The variance largely relates to the delay to the City Plan public examination being concluded (attributable to the deferred P&R Committee decision and the limited availability of the inspector)	

**Appendix 1 – Revenue Budget Performance**

Key Variances £'000	Service	Description	Effect on 2015/16 Budget
		and the invoices from the planning inspectorate for 2014/15 being considerably less than originally budgeted. This resulted in consequential delays in commissioning consultancy and professional studies for part 2 of the City Plan. There are also variances to other consultancy and professional fee budgets following delays to partnership agreements and underspends in one off schemes.	
<b>Housing</b>			
507	Corporate Critical - Temporary Accommodation & Allocations	Overall we have not been able to acquire sufficient numbers of properties to replace the significant amount of handbacks on private sector leased accommodation this year and keep pace with new demand which has resulted in a net gain of only 20 properties. We have acquired 120 replacement properties to offset the 100 that have been handed back. These have been at higher rental rates due to the recent upward movement of prices in the housing market and is putting further pressure on the budget. The net loss of leased accommodation has resulted in the increased use of expensive spot purchase Bed and Breakfast accommodation with approximately 20,000 nights in total for 2014/15. The original budget was based on approximately 9000 nights. In addition spot purchase Bed and Breakfast attracts a low rate of Housing Benefit compared to leased accommodation which has resulted in the collection of less income. The length of placements in block-booked bed and breakfast accommodation is an additional pressure on the budget as these costs are inclusive of VAT which we can reclaim. However if clients stay for longer periods of time, the VAT rate is reduced to zero	This pressure is set to continue into 2015/16. An action plan is in place to attempt to alleviate this pressure. New properties are being acquired urgently (through newly procured contracts) to replace those being handed back in order to manage the number of more expensive spot purchase placements. However the tight housing market is making it difficult for providers to deliver properties and supply is still lagging. There is a review in progress of temporary accommodation and homeless prevention processes together with training across departments to enable costs to be minimised. This is due to report to June Housing Committee.

**Appendix 1 – Revenue Budget Performance**

<b>Key Variances £'000</b>	<b>Service</b>	<b>Description</b>	<b>Effect on 2015/16 Budget</b>
		after 28 consecutive days effectively increasing the gross cost. Finally the high number of properties being handed back has also resulted in a higher spend on dilapidations and high void rent loss as we prepare the properties for handback to owners which has increased the commitment by £0.132m.	
42	Travellers	This overspend has arisen at the year-end due to higher than expected security costs, electricity costs and an unexpected water bill relating to a leak at the Horsdean site.	This situation is not expected to be repeated in 2015/16.
143	Private Sector Housing	The further expansion of the Private Sector Licensing Scheme was projected to achieve savings in 2014/15 of £0.125m. The timetable for introducing the scheme including public consultation and decision by Members has slipped. Housing Committee (14 January 2015) have now approved our recommendation to commence consultation on designation of a further discretionary licensing scheme in additional wards in the City. Formal 11 week consultation on proposals for a further scheme in seven additional wards has now been completed. Consultation and evidence required to support approval for any further scheme to commence is being prepared for Housing Committee in June 2015 with a recommendation to proceed. In addition, there has been an overspend on staffing of £0.064m across Private Sector Housing which are being offset by underspends on non pay costs and customer receipts of £0.052m.	For 2015-16, the budget includes £0.250m through achievement of additional self funding to cover appropriate costs. Achievement of any additional self funding to cover appropriate costs is aligned to any further evidence available to support implementation of licensing schemes across more wards in the City. Would be subject to robust evidence base, consultation and member agreement. Housing Committee in June are considering proposals for a further discretionary licensing scheme. If approved, the scheme should commence in Nov 2015 (after a formal 3 month notice period), leaving an estimated budget pressure of £0.145m in 2015/16. Should the scheme not be approved, the pressure will be £0.250m. We continue to offset pressures by: vacancy control across the whole of Housing Strategy, Development & Private Sector Housing; underspends on non-pay costs; maximising other customer receipts.
(90)	Other Housing	This underspend relates mainly to pressure funding agreed last year that has not been allocated to specific overspending cost centres, but reduces the	This will not continue into 2015/16.

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Effect on 2015/16 Budget
		overall overspend for Housing.	
(110)	Housing Related Services	The underspend relates to staffing vacancies as well as a small underspend on supporting people contracts.	These budgets are unlikely to underspend in 2015/16. This budget has been transferred to Adult Social Care and has been reduced as part of the savings package for 2015/16.



## Appendix 1 – Revenue Budget Performance

### Assistant Chief Executive - Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2014/15 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(1)	Communications	763	658	(105)	-13.8%
113	Royal Pavilion, Arts & Museums	3,718	3,880	162	4.4%
124	Tourism & Venues	1,524	1,577	53	3.5%
0	Libraries	4,168	4,235	67	1.6%
(7)	Corporate Policy & Communities	4,788	4,359	(429)	-9.0%
(20)	Sport & Leisure	773	702	(71)	-9.2%
209	Total Revenue - Assistant Chief Executive	15,734	15,411	(323)	-2.1%

### Explanation of Key Variances

Key Variances £'000	Service	Description	Effect on 2015/16 Budget
<b>Communications</b>			
(105)	Communications	The underspend in Communications is due to the deletion of two roles in May 2014 and a post remaining vacant pending a restructure. A refuse and recycling research campaign was also put on hold due to industrial action.	Approved savings in 2015/16 mean that further underspending next year is unlikely.
<b>Royal Pavilion, Arts &amp; Museums</b>			
162	Royal Pavilion, Arts & Museums	Royal Pavilion & Museums are reporting an overspend of £0.162m. The overspend is due mainly to a continuation of pressures against the achievement of income targets due to the withdrawal of the catering contractor and under achievement on other income streams including retail, admissions and hires.	Measures were implemented in the latter part of the 2014/15 to improve the performance of retail, including restructuring, new products and investment in the shop.
<b>Tourism &amp; Venues</b>			
53	Tourism &	Tourism & Venues is showing a provisional overspend of	It is expected that venues income will

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Effect on 2015/16 Budget
	Venues	£0.053m (which is an improvement of £0.071m from Month 9). Across Venues the year-end position is an overspend of £0.067m which is a reduction of £0.032m from Month 9. This is due to an extra unexpected event (£0.010m), the transfer of Wi-fi expenditure to a central budget (£0.019m) and general Venues underspends (£0.002m). Tourism budgets have a year end underspend of £0.014m which is an improvement of £0.039m compared to Month 9.	be able to meet budget targets in 2015/16 based on known and anticipated bookings.
<b>Libraries</b>			
67	Libraries	The overspend is mainly as a result of still carrying the Accelerated Service Redesign VFM allocation (£0.042m) from 2013/14 which we will not be able to achieve until we restructure as part of the modernisation process. There was also a bigger than anticipated under-achievement in income (£0.022m) which is in part a result of Jubilee Library being closed for refurbishment for 3 days in March.	
<b>Corporate Policy &amp; Communities</b>			
(429)	Corporate Policy & Communities	This underspend reflects a number of factors including the slippage of some partnership projects, the retention of a number of vacant posts in order to deliver 2014/15 and 2015/16 savings, some staff changing to part time and not all of the Community Grant fund requiring allocation (specifically the contingency element).	One-off underspends have either not been carried forward or will not be repeated in 2015/16.
<b>Sport &amp; Leisure</b>			
(71)	Sport & Leisure	Underspend primarily achieved through vacancy management in Sports Development and Outdoor Events and additional income in Outdoor Events and Seafront. In addition, planned training for Sports Development is unable to take place until the new financial year and the contractor is unable to undertake Seafront works until the new financial year.	

Appendix 1 – Revenue Budget Performance

Public Health – Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2014/15 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
0	Public Health	(221)	(221)	0	0.0%
0	Community Safety	1,448	1,426	(22)	-1.5%
(48)	Public Protection	2,281	2,198	(83)	-3.6%
0	Civil Contingencies	180	163	(17)	-9.4%
(48)	Total Revenue - Public Health	3,688	3,566	(122)	-3.3%

Key Variances £'000	Service	Description	Effect on 2015/16 Budget
<b>Public Health</b>			
0	Public Health	Although the variance is unchanged - the level of carry-forward is significantly higher than forecast at Month 9 (£0.850m compared to £0.350m). This largely reflects delays in committed spend.	
<b>Community Safety</b>			
(22)	Community Safety	The provisional outturn across Community Safety is a small underspend of £0.022m.	
(83)	Public Protection	Public Protection is reporting a provisional underspend of £0.100m (which is an improvement of £0.052m from Month 9). Actual income was better than forecast across the service and vacant posts were held pending 2015/16 budget setting and anticipated staffing changes.	
<b>Civil Contingencies</b>			
(17)	Civil Contingencies	Minor underspends.	

## Appendix 1 – Revenue Budget Performance

### Finance & Resources and Law - Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2014/15 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
57	City Services	7,460	7,301	(159)	-2.1%
(485)	Housing Benefit Subsidy	(613)	(1,217)	(604)	-98.5%
73	HR & Organisational Development	3,668	3,613	(55)	-1.5%
0	ICT	6,978	6,972	(6)	-0.1%
(296)	Property & Design	4,589	3,707	(882)	-19.2%
(209)	Finance	6,188	6,059	(129)	-2.1%
0	Performance, Improvement & Programmes	818	796	(22)	-2.7%
(30)	Legal & Democratic Services	2,923	2,877	(46)	-1.6%
(890)	Total Revenue - Resources & Finance	32,011	30,108	(1,903)	-5.9%

### Explanation of Key Variances

Key Variances £'000	Service	Description	Effect on 2015/16 Budget
<b>City Services</b>			
(181)	Revenues & Benefits	The Revenues & Benefits service underspent by £0.181m compared to a projected overspend of £0.029m forecast at Month 9. This change was mostly due to underspends relating to discretionary payments of £0.099m and the new business rates system of £0.036m. There were also lower than expected costs of £0.056m relating to Council Tax Initiatives. Elsewhere in the service income recovery was £0.080m less than expected, but this was mostly	Underspending was primarily for one-off reasons that will not be repeated in 2015/16.

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Effect on 2015/16 Budget
		offset by £0.070m underspends relating to supplies and services including computer maintenance costs.	
10	Life Events	Life Events overspent by £0.010m, compared to a forecast overspend of £0.018m at Month 9. The approval of the fees and charges report at Policy & Resources Committee in October reduced the underachievement of income to £0.181m. This shortfall was offset by underspends in the Coroner's service of £0.087m and lower than expected maintenance costs at the Crematorium this year of £0.100m. There were other minor variances totalling a net £0.016m overspend.	
12	Standards & Complaints	The Standards & Complaints service overspent by £0.012m, relating to staffing costs including agency and maternity cover.	
<b>Housing Benefit Subsidy</b>			
(604)	Corporate Critical - Housing Benefit Subsidy	The final position is £0.119m better than forecast at Month 9. The year-end position on the recovery of former Council Tax Benefit overpayments was a surplus of £0.285m which is an improvement of £0.045m compared to Month 9. The final position on the rent rebate and rent allowance subsidy budgets is a surplus of £0.319m which is an improvement of £0.074m from Month 9. The main reason for this is an improvement on the net recovery of overpayments which is £0.090m better than previously forecast.	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Effect on 2015/16 Budget
<b>HR &amp; Organisational Development</b>			
(55)	HR & Organisational Development	The service underspent by £0.055m compared to a projected £0.073m overspend at Month 9. The change was due to underspends in Health & Safety (£0.040m), Occupational Health (£0.047m) and Workforce Development (£0.031m), due to over achievement of forecasted one-off income. The pressure against union support, forecast throughout the year, ended up at £0.078m and there were other underspend variances amounting £0.015m.	A review of union facility time is being undertaken across the council to understand the wider cost implications and address the pressure on this budget if possible.
<b>ICT</b>			
(6)	ICT	A small underspend of £0.006m due to a change in the level of year-end stock held.	
<b>Property &amp; Design</b>			
(882)	Property & Design	The commercial rents within Property & Design are being maintained with income collection performing very well for the rental properties on the high street. This combined with lower energy and maintenance costs in both Corporate Landlord buildings and Parks Buildings due to a very mild winter has resulted in an underspend of £0.882m. The movement since Month 9 is approximately £0.6m better. While some further improvement was expected, there have been significant one-off items that have improved the forecast. These will be reviewed to determine whether anticipation or projection of similar items is possible to improve future forecasting in this area.	In 2015/16 the budgeted savings within Property & Design are £0.967m so this level of underspend will be difficult to maintain in future years.

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Effect on 2015/16 Budget
<b>Finance</b>			
(129)	Finance	The outturn for Financial Services, Procurement and Audit Services in an underspend of £0.129m. This is mainly due to the one-off saving on staff which have transferred to the Department of Works & Pensions (DWP) on 1 <sup>st</sup> October 2014 under the Single Fraud Investigation Service (SFIS) with no corresponding reduction to the Council's Housing Benefit Administration Grant until 2015/16. The rest of the saving is from vacancy control within the Financial Services area.	
<b>Performance &amp; Improvement</b>			
(22)	Performance & Improvement	The service achieved an underspend of £0.022m for the year. A significant proportion of this relates to staff turnover. .	
<b>Legal &amp; Democratic Services</b>			
(46)	Legal & Democratic Services	The service underspent by £0.046m in the year. Democratic Services underspent by £0.042m due mostly to vacancy management and Legal Services achieved a small underspend of £0.004m.	

## Appendix 1 – Revenue Budget Performance

### Corporate Budgets - Revenue Budget Summary

Forecast Variance Month 9 £'000	Service	2014/15 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(180)	Bulk Insurance Premia	0	(257)	(257)	0.0%
(119)	Concessionary Fares	10,615	10,498	(117)	-1.1%
(250)	Capital Financing Costs	6,545	6,196	(349)	-5.3%
0	Levies & Precepts	167	167	0	0.0%
(16)	Corporate VfM Savings	16	0	(16)	100.0%
(1,890)	Risk Provisions	1,954	(113)	(2,067)	-105.8%
263	Other Corporate Items	(17,252)	(16,850)	402	2.3%
(2,192)	<b>Total Revenue - Corporate Budgets</b>	<b>2,045</b>	<b>(359)</b>	<b>(2,404)</b>	<b>-117.6%</b>

### Explanation of Key Variances

Key Variances £'000	Service	Description	Effect on 2015/16 Budget
<b>Bulk Insurance Premia</b>			
(257)	Bulk Insurance Premia	The underspend has arisen from a reduced cost in claims to date. It has improved by £0.077m since Month 9 due to less claims being settled than forecast and additional income from Property & Design to fund the commercial premia for New England House and two other properties.	
<b>Concessionary Fares</b>			
(117)	Concessionary Fares	Underspend as a result of conclusion of negotiations on fixed deal arrangements with Brighton & Hove Buses and Stagecoach.	



Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Effect on 2015/16 Budget
<b>Capital Financing Costs</b>			
(349)	Capital Financing Costs	<p>The Council's borrowing strategy was amended during the year to allow the council to take advantage of new borrowing opportunities and as a result of a change in the interest rate environment. This will mean the council can take advantage of forward rate borrowing in future years that can provide certainty over costs and avoid the short term pressure of holding additional cash balances at low investment rates. Taking advantage of this opportunity is in accordance with the council's agreed Treasury Management Policy Statement, and resulted in a saving of £0.23m in 2014/15. Additionally, higher than projected cash balances during the last quarter of the year resulted in a net saving of £0.10m. This is a combination of increased interest earned on investments and a reduction in interest costs on short-term borrowing required for cash flow purposes.</p>	<p>£0.250m was released from the financing costs budget to support the 2015/16 budget.</p>
<b>Corporate VFM Projects</b>			
(16)	Corporate VFM Projects	<p>Minor underspend variance on this element of the VFM programme.</p>	
<b>Risk Provisions</b>			
(2,067)	Risk Provisions & Contingency	<p>At Month 9 the forecast underspend was £1.890m which related to risk provisions being released to partially mitigate the overall overspend. This has increased by £0.177m at outturn mostly due to an unrequired amount of £0.113m being returned from the carbon Reduction</p>	<p>Risk provisions of £1.620m were approved to support the 2015/16 budget should the need arise.</p>

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Effect on 2015/16 Budget
		Commitment provision. In addition, the amount required for additional cash collection costs was £0.064m less than anticipated..	
<b>Other Corporate Items</b>			
184	Pension Costs	This overspend relates to the budget for additional compensation payments to former employees of the Council or its predecessor authorities. The benefits are subject to annual increases in line with the September Retail Price Index (RPI) which is generally higher than our corporate inflation rates for pay costs. This had been expected to be offset by a reduction in the number of beneficiaries but this has remained fairly static. All related reserves that were being used to fund yearly fluctuations have now been exhausted.	Provision for increased pension commitments has been addressed in the 2015/16 budget setting process.
70	Unringfenced Grants	The shortfall largely relates to lower than anticipated income of £0.078m from the Education Services Grant.	
148	Other Items	This is largely the result of a one-off £0.228m top up for the corporate bad debt provision partially offset by £0.076m of unrequired Equal Pay provision.	

Appendix 1 – Revenue Budget Performance

Housing Revenue Account - Revenue Budget Summary

Forecast Variance Month 9 £'000	Housing Revenue Account	2014/15 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
(313)	Employees	8,563	8,067	(496)	-5.8%
(180)	Premises – Repair	10,878	10,585	(293)	-2.7%
(169)	Premises – Other	3,194	2,826	(368)	-11.5%
151	Transport & Supplies	3,036	2,908	(128)	-4.2%
14	Support Services	2,384	2,350	(34)	-1.4%
(8)	Third Party Payments	185	137	(48)	-25.9%
0	Revenue contribution to capital	22,042	22,042	-	0.0%
626	Capital Financing Costs	8,659	9,704	1,045	12.1%
<b>121</b>	<b>Total Expenditure</b>	<b>58,941</b>	<b>58,619</b>	<b>(322)</b>	<b>-0.5%</b>
(17)	Dwelling Rents (net)	(50,423)	(50,451)	(28)	-0.1%
39	Other rent	(1,412)	(1,385)	27	1.9%
(39)	Service Charges	(6,588)	(6,629)	(41)	-0.6%
(45)	Other recharges & interest	(518)	(397)	121	23.4%
<b>(62)</b>	<b>Total Income</b>	<b>(58,941)</b>	<b>(58,862)</b>	<b>79</b>	<b>0.1%</b>
<b>59</b>	<b>Net Expenditure / (Income)</b>	<b>-</b>	<b>(243)</b>	<b>(243)</b>	<b>0.0%</b>
(600)	Funded from Reserves	-	-	-	0.0%
<b>(541)</b>	<b>Total</b>	<b>-</b>	<b>(243)</b>	<b>(243)</b>	<b>0.0%</b>

## Explanation of Key Variances

Key Variances £'000	Service	Description	Effect on 2015/16 Budget
<b>Housing Revenue Account</b>			
(496)	Employees	The underspend on employees is £0.496m. This is due to vacancy management plus an increase in capitalisation of salaries of £0.099m relating to new developments. These were partly offset by costs of Agency Staff being employed to cover long term sickness/vacancy cover.	
(293)	Premises - Repairs	The underspend for Premises - Repairs is £0.293m, an increase of £0.113m since month 9 forecast. The main change relates to the responsive repairs underspend which has increased to £0.364m, as a result of a reduction in the average cost of responsive repairs works over the last year. There are further underspends of £0.024m in relation to Ventilation, £0.027m for Lift Maintenance, £0.040m for Fire Alarms, £0.043m for Fire Risk Works and £0.031m for Door Entry Systems. These underspends are offset by an overspend of £0.087m in respect of Gas Servicing and £0.155m on Empty Properties Works as the level of repairs required has been higher in recent months.	
(368)	Premises - Other	The underspend on Premises - Other is £0.368m, an increase of £0.199m since Month 9. The main increase in the underspend relates to electricity and gas, which is underspent by £0.312m, due to lower consumption levels than originally budgeted for. There was also a slight increase in the underspend relating to decorating Vouchers, which is now £0.044m.	
(128)	Transport & Supplies	The underspend is £0.128m, an increase of £0.279m since Month 9. This includes an underspend of £0.077m relating to Grant and Contributions to other Organisations, £0.098m in respect of Professional fees which includes the District Heat Network review which will continue in 2015/16 and £0.050 in respect of Mutual Exchange Support budget that was not required in 2014/15. The underspend is offset by increased costs of £0.116m in respect of Security for HRA premises.	

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Effect on 2015/16 Budget
1,045	Capital Financing Charges	The Capital Financing Costs overspend has increased by £0.419m to £1.045m. As previously reported the costs estimates have increased to reflect the requirement to repay a £3.9m loan as it matures at the end of the financial year. The original budget was set with £3.0m in the revenue budget 2014/15 and £0.6m was to be funded from right-to-buy (RTB) capital receipts debt allowance, currently held in reserves. Due to increases in the overall HRA revenue budget underspends in 2014/15, the full amount of £3.9m will be met within the 2014/15 revenue budget. The further increases in capital financing costs relate to revaluation losses on HRA Fixed Assets which are a true cost to the HRA under the current self-financing accounting arrangements.	The overall HRA revenue outturn position has meant that the repayment of borrowing can be met within the current year 2014/15 budgeted resources. The amount held in capital reserves will fund future capital expenditure or repayment of debt as required. The revaluation losses required to be charged to the HRA revenue budget in 2014/15 are of significant value as they include the write out from the asset register of Manor Place and Selsfield Drive Housing offices, which are now treated as assets under construction. Revaluations and impairments of assets chargeable to the HRA Income & Expenditure Account are not expected to be significant in 2015/16 and should be met within existing capital financing budgets.
(41)	Service Charges	Service Charges over-achieved by £0.041m. This mainly relates to Leaseholder Major works income.	
121	Other Income & Recharges	Other Income and Recharges shows a variance of £0.121m. This relates to budgeted income for grant of £0.131m for a District Heating Network study. This has been carried forward to 2015/16. This is offset by a similar underspend in Transport and Supplies & Services shown under professional fees.	Variation offset by underspend in Transport and Supplies & Services

## Dedicated Schools Grant - Revenue Budget Summary

Forecast Variance Month 9 £'000	Dedicated Schools Grant (DSG)	2014/15 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
0	Individual Schools Budget (ISB) <i>(This does not include the £7.219m school balances brought forward from 2013/14)</i>	119,932	119,932	0	0.0%
(549)	Early Years Block (including delegated to Schools) <i>(This includes Private Voluntary &amp; Independent (PVI) Early Years 3 &amp; 4 year old funding for the 15 hours free entitlement to early years education)</i>	12,678	11,936	(742)	-5.9%
(415)	High Needs Block (excluding delegated to Schools); <i>(This includes the £1.446m underspend brought forward from 2013/14)</i>	18,375	17,948	(427)	-2.3%
(133)	Exceptions and Growth Fund	6,006	5,722	(284)	-4.7%
0	Grant Income	(155,544)	(155,544)	0	0.0%
(1,097)	Net DSG Budget	1,447	(6)	(1,453)	-100.4%

## Explanation of Key Variances

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Effect on 2015/16 Budget
<b>Early Years Block</b>			
(725)	PVI Payments – 2 Year Olds	Take up is significantly less than budgeted for.	
(17)	Various	Other minor underspends.	
<b>High Needs Block</b>			
(295)	Unspent balance brought forward from 2013/14	Unallocated balance brought forward used to cover identified overspends.	
(76)	Education support	Various underspends across education support services.	

Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Effect on 2015/16 Budget
	services		
(56)	Education Agency Placements	The underspend relates to payments to providers outside Brighton & Hove for Brighton & Hove pupils.	
<b>Exceptions &amp; Growth Fund</b>			
		The total underspend of £0.284m in this area relates to items specifically approved by the Schools Forum and is therefore not available for general DSG spending.	
(165)	Capital Financing	Underspend in relation to revenue contribution to capital expenditure for additional places for Two Year Olds.	
(22)	Schools central costs	Other minor underspends.	
(97)	Admissions & Transport	Staffing and other savings.	

## NHS Trust Managed S75 Budgets - Revenue Budget Summary

Forecast Variance Month 9 £'000	S75 Partnership	2014/15 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
345	Sussex Partnership Foundation NHS Trust (SPFT)	11,303	11,646	343	3.0%
50	Sussex Community NHS Trust (SCT)	647	563	(84)	-13.0%
395	Total Revenue - S75	11,950	12,209	259	2.2%

## Explanation of Key Variances

Key Variances £'000	Service	Description (Note WTE = Whole Time Equivalent)	Effect on the 2015/16 Budget
<b>Sussex Partnership Foundation NHS Trust</b>			
343	SPFT	Sussex Partnership NHS Foundation Trust is reporting an overspend of £0.686m. The overspend reflects continuing pressures from a lack of affordable residential and nursing placements across the board, potentially leading to increased use of high cost placements and waivers within Memory & Cognition Support. There continues to be a pressure from an increase in need and complexity in Mental Health and forensic services across residential and supported accommodation. In line with the revised risk-share arrangements for 2014/15 the overspend will be shared 50/50 between Health and BHCC with the CCG funding the SPFT element and this is reflected in the figure of £0.343m reported here.	Against its share of S75 risk, BHCC has recognised pressures across Adult Social Care and has provided service pressure funding of £2.1m across all care groups including Mental Health.
<b>Sussex Community NHS Trust</b>			
(84)	SCT	The outturn position for the Integrated Community Equipment Store (ICES) budget is an underspend of £0.084m, which is an improvement of £0.135m from Month 9. The main reason for the improvement has been achieved from vacancy management control (£0.033m), reduced activity on the equipment budget (£0.064m) and one-off unplanned income (£0.037m).	



## Carry Forward Requests 2014/15

Directorate	Unit	Service Area		Proposed Carry Forward Amount (£'000)
<b>Non Grant Funded Areas</b>				
Adult Services	Commissioning & Contracts	Commissioning	Balance of NHS England funding to support joint social care and health work-streams continuing into 2015/16. Delays in approving some of the workstreams and difficulties in recruitment of staff has resulted in an underspend in 2014/15. The carry-forward will enable these work-streams to continue and will help deliver on-going benefits to social care and health in line with the conditions of the funding.	337
Env, Dev & Hsg	City Regeneration	Economic Development	The London Road Portas Pilot Initiative was funded (£0.083m) by the DCLG in 2012. The funding is managed and allocated by a partnership called the London Road Town Team, consisting of local businesses, landlords, community reps and public sector reps. There is no time-limit for spending the funding, hence remaining funds have been carried over the previous two financial year ends. Brighton & Hove City Council's role as Accountable Body is determined by DCLG as part of the funding agreement where we are responsible for holding and monitoring Portas Pilot funds while control of where, when and to who the funding is spent rests with the London Road Town Team. The Accountable Body letter confirms the grant funding will be ring-fenced for Town Team activities.	11
Env, Dev & Hsg	City Regeneration	Economic Development	This budget has been used for the Greater Brighton City Deal and includes contributions from other LA partners for the Greater Brighton Economic Board and City Deal programme. Partners would expect us to carry forward the funding to 2015/16 to enable delivery of the Greater Brighton Economic Board and Investment Programme. The underspend financial position has been reported to the Greater Brighton Economic Board.	48
ACE	Civic, Policy & Performance	Communities, Equality & Third Sector	Committed to community-led BME needs assessment partnership project	15
ACE	Civic, Policy & Performance	Partnerships & External Relations	Partnership funding from Police, CCG and other partners held by LA on behalf of the Strategic Partnership. These projects are resourced from the City Management Board (CMB) partnership fund and are either new initiatives agreed by CMB / Brighton and Hove Connected or are longer term projects under way but not yet completed. Details of this year's committed allocations are: - £0.020m City Tracker Survey (agreed new approach for 14/15 and 15/16) - £0.080m BME/Trans/Disability Needs Assessment Programmes (the first two projects are underway and the disability assessment has been committed through the Corporate plan). - £0.020m Apprentice - £0.020m Resourcing of Brighton & Hove Connected (ongoing partnership funding for the partnership) - £0.032m CMB Projects and Initiatives (ongoing resourcing of CMB projects).	102

Directorate	Unit	Service Area		Proposed Carry Forward Amount (£'000)
Finance, Resources & Law	City Services	Revenues & Benefits	Policy & Resources committee agreed a report on 20 <sup>th</sup> March 2014 which set out a plan to maintain funding for the local discretionary social fund for 2015/16 and 2016/17 by using the grant allocation for 2014/15 (the last year in which such a grant was made) and previously identified reserves, over 3 years. As such, rolling forward the unused allocation from 2014/15 is a part of this pre-agreed plan and the £0.451m will be used for the social fund over future years.	451
Finance, Resources & Law	Human Resources & Org Dev	Workforce Development	The proposed carry forward will be transferred to the Modernisation Fund to support ongoing work on the implementation of new relationship based model of practice in children's social work.	87
Corporate	Corporate	Risk Provision	Unspent element of the Social Care Reform allocation held in Contingency. This was originally allocated to support changes and risks resulting from implementation of changes of the Care Bill and Better Care Fund. Carry forward requested to support ongoing reform work.	307
<b>Total Non Grant Funded Areas</b>				<b>1,358</b>

<b>Grant Funded Areas</b>				
Children's Services	Education & Inclusion	Dedicated Schools Grant (DSG)	Under the Schools Finance Regulations the unspent part of the DSG must be carried forward to support the Schools Budget in future years.	1,453
Children's Services	Stronger families, Youth & communities	Stronger Families	The carry forward results from developing a 3 year budget plan and significantly more income being realised in relation to payment by results funding in 2014/15. This funding will be used to complete the existing programme in line with the National Troubled Families Unit (TFU) requirements including ensuring sustainability. There is no constraint from the funding source (TFU) regarding carry forward.	296
Public Health	Public Health	Public Health	Any funds left over at the end of the financial year can be carried forward as part of a public health reserve in line with the grant conditions. All the conditions that apply to the use of the grant will continue to apply to the funds being carried forward.	846
Finance, Resources & Law	City Services	Elections	BHCC has received government funding for supporting and developing the Individual Electoral Registration (IER) service. A section 151 agreement is in place which requires that this funding is only to be used for this purpose including the additional burdens of the new system. Government funding for IER is due to reduce in 2015/16 (£0.154m compared to £0.228m in 2014/15) but IER will be conducted on an even larger scale than 2014/15. Funding not spent in 2014/15 of £0.087m has been identified and is requested to be carried forward.	87
Finance, Resources & Law	City Services	Revenues & Benefits	This is money for the Fraud & Error Reduction Incentive Schemes (FERIS) project, benefit fraud and error prevention work, which was successfully bid for. It relates to expenditure in 2015/16 but was issued early by DWP in 2014/15.	36

Directorate	Unit	Service Area		Proposed Carry Forward Amount (£'000)
Finance, Resources & Law	Human Resources & Org Dev	Workforce Development	Student Social Work Placement programme. Of the £0.098m we have a need to pay our Practice Educators (PE's) (internal staff - honararium and ext PE's) £0.085m at the end of the academic year (May 2015). To reduce the carry over requirement in future years, we could pay PE's in advance, but this may be against policy and might involve the council in seeking costly refunds for those social workers who do not complete.	85
Finance, Resources & Law	Human Resources & Org Dev	Workforce Development	This is residual funding from the Children's Workforce Development Council (CWDC) to support social work development. The CWDC was abolished 31 March 2012 with no mechanisims to repay any unused funding. This money will be used to support the new model of practice in children's social work. Without this carry over, pressure would be put on core training budgets (which have already been reduced £0.030m for 2015/16) or require Children's Services to find the required funding from other budgets.	50
<b>Total Grant Funded Areas</b>				<b>2,853</b>
<b>Total Carry Forward Requests</b>				<b>4,211</b>



## Value for Money Programme Performance

Projects	Savings Target £m	Achieved £m	Unachieved £m	Achieved %
Adult Social Care	2.903	1.139	1.764	39.2%
Children's Services	2.539	0.933	1.606	36.7%
Third Party Spend	2.276	2.109	0.167	92.7%
Workstyles	0.060	0.060	0.000	100.0%
Accelerated Service Redesign (FYE)	1.626	1.311	0.315	80.6%
Client Transport	0.263	0.263	0.000	100.0%
VfM Phase 4 Additional Saving (Procurement)	0.250	0.266	0.000	106.4%
<b>Total All VfM Projects</b>	<b>9.917</b>	<b>6.081</b>	<b>3.852</b>	<b>61.3%</b>

## Explanation of 'Uncertain' VfM Savings:

Uncertain Savings £'000	Description	Effect on the 2015/16 Budget
<b>Adult Social Care</b>		
1,764	Adult Social Care services had been under pressure throughout the previous financial year and this pressure has continued throughout 2014/15 with growing demand and complexity of needs. Appendix 1 provides more details of the pressures across Adult's Services during the year. These have suppressed the achievement of VfM savings however there is still good work being undertaken to review high cost placements, seek Continuing Health Care funding for cases where there are highly complex needs, and apply the RAS (Resource Allocation System) allocation process more consistently across all care types.	During 2014/15, financial recovery measures have been identified where possible, including one-off measures, to improve the position in-year. In particular, over £0.850m Continuing Health Care (CHC) income has been successfully secured which significantly mitigates the overall position and a new risk share agreement with the CCG has provided funding of £1.3m in-year toward both social care cost pressures and the S75 arrangement with Sussex Partnership Foundation Trust. Some of the CHC funding will be ongoing while service pressure funding of £2.1m will also assist the position in 2015/16.

Uncertain Savings £'000	Description	Effect on the 2015/16 Budget
<b>Children's Services</b>		
1,606	Appendix 1 provides details of the current pressures across Children's Services. The main pressures are arising from an upward trend in Independent Foster Agency placements (IFAs) and lower than expected recruitment of 'in-house' foster carers. One-off recovery measures were identified to mitigate the position in 2014/15 with the forecast steadily improving since month 2 (June 2014).	VfM and partnership work are continuing in the hope that trends can be halted in future through measures including Early Help strategies, recruitment of 'in-house' foster carers for which there is a specific project, and the SEN/Disability task & finish work. Service pressure funding of £2m has also been provided in 2015/16 to help manage the impact of growing demand.
<b>Third Party Spend</b>		
167	Overall, the Third Party workstream has achieved 92.7% against the target. Compared with originally anticipated savings, the Adult Social Care provider contract savings were £0.104m lower than expected and savings on renegotiated Supporting People provider contracts were also £0.063m lower than expected.	Third Party work continues and it is hoped that these shortfalls can be made up through work on these areas throughout 2015/16.

Children’s Services – Capital Budget Summary

Forecast Variance Month 9 £'000	Service	2014/15 TBM 9 Budget £'000	Reported at Other Committees £'000	IFRS / Other Changes £'000	Variation, Slippage / reprofile £'000	2014/15 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
0	Children’s Health Safeguarding & Care	89	0	0	(40)	49	52	3	6.1%
0	Disability & SEN	489		0	(60)	429	429	0	0.0%
0	Education & Inclusion	9,868		(888)	(558)	8,422	8,413	(9)	-0.1%
0	Schools	1,881	0	0	(703)	1,178	1,178	0	0.0%
0	Stronger Families Youth & Comm	412	0	0	4	416	415	(1)	-0.2%
<b>0</b>	<b>Total Children’s Services</b>	<b>12,739</b>	<b>0</b>	<b>(888)</b>	<b>(1,357)</b>	<b>10,494</b>	<b>10,487</b>	<b>(7)</b>	<b>-0.1%</b>

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

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Children’s Health Safeguarding &amp; Care</b>				
Budget Reprofile	(40)	Contact Supervision Centres	Reprofile of various schemes under £0.050m.	
Variance	3	Children’s Social Services	Overspend of various schemes under £0.050m.	

## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Disability &amp; SEN</b>				
Budget Reprofile	(60)	Various	Reprofile of various schemes under £0.050m: Short Breaks for Disabled Children (£0.043m), New Vehicle for 55 Drove Road (£0.017m).	
<b>Education and Inclusion</b>				
IFRS/Other Changes	(888)	Various	Please see paragraph 3.16 (v) of the main report for a general explanation of IFRS changes. For the refurbishments within school buildings some of the costs are of a day-to-day servicing nature and are not capital expenditure. It would be impractical for an authority to assess every item of expenditure when it is incurred as to whether or not it has enhanced an asset. The practical situation is instead that at the year-end an assessment is made by programme managers and finance to make sure that expenditure is correctly classified as capital or revenue. The capital budgets are reduced by the same amount as the items that are subsequently charged to revenue.	
Budget Reprofile	(222)	Devolved Formula Capital	Devolved Formula Capital is a financial resource that is devolved to schools by the authority. Forecasts are based on the amounts schools are expected to utilise in-year which is difficult to predict with accuracy. The amount requested by schools has changed compared to that forecast at month 9 resulting in the need to reprofile some funds into 2015/16.	
Budget Reprofile	(141)	Universal Free School Meals	Brighton & Hove City Council received a capital grant of £0.641m (£0.518m for maintained schools and £0.123m (not directly paid to the Local Authority) for Voluntary Aided schools) for improvements to kitchens and dining rooms. The grant is based on the academic year and the remaining works will be undertaken during the half term in May and over the summer	



## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			months when schools are closed.	
Budget Reprofile	(292)	Capital Maintenance	<p>A number of major roofing projects originally priced through the East Sussex Framework had to be retendered as initial prices returned were high. It was originally hoped that it would be possible to start the projects during the latter part of 2014/15 but this proved unworkable and work will now take place over the summer holiday period to minimise disruption. The current scheme for provision of primary places is coming to a conclusion and there has been no need to undertake design work for another phase of projects. While discussions have started on work in the secondary area no major expenditure on design has started so expenditure in this area has been much lower than initially anticipated. Therefore Members are asked to carry forward the £0.292m into 2015/16 to meet our outstanding commitments.</p>	
Budget Reprofile	115	New Pupil Places	<p>As has been mentioned previously large elements of funding allocated to Local Authorities can be formula based or in response to bids. Once funding is secured projects are designed, developed and construction started on site. However, cashflows for schemes rarely follow in-year allocations. At TBM month 9 it was explained that the two remaining one-form expansion projects at Saltdean and St Andrews Primary Schools had been designed and planning applications for both schemes submitted. Planning consent has been subsequently granted for both projects. However, the design process took longer than anticipated and as a result the projects were not due to start until March 2015 at the earliest. Members are asked to approve the reprofiling (bring forward) of resources from 2015/16 to cover</p>	

## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			expenditure in 2014/15.	
Budget Reprofile	(18)	Structural Maintenance	Reprofile of various schemes under £0.050m.	
Variance	(9)	Various	Net underspend from various schemes under £0.050m	
<b>Schools</b>				
Budget Reprofile	(302)	Portslade Community Academy	The major extension at PACA still has a number of outstanding defects which has resulted in delays in paying the retention and final costs on the contract. The main issue at the moment is leaking windows. The balance of the budget needs to be carried forward to 2015/16 to meet the outstanding commitments on this scheme.	
Budget Reprofile	(129)	PACA Sustainable Transport	The PACA Project committed a figure of £0.200m to sustainable transport. The outstanding commitment on this budget line will be drawn upon once the Academy's transport policy is in place.	
Budget Reprofile	110	Falmer Academy	In March 2015 the Local Authority had outstanding commitments totalling £0.210m to the contractor and paid a certificate payment of £0.110m. This left a commitment of £0.100m which the Local Authority together with its Quantity Surveyor is currently retaining against some outstanding issues which the contractor is to resolve. The expenditure in 2014/15 has to be met along with the balance of £0.100m allocated to meet the outstanding commitment in 2015/16. All works on Falmer Academy are grant funded by the Department for Education.	
Budget Reprofile	(82)	Various	Reprofile of various schemes under £0.050m: Fairlight Primary Solar Panels (£0.042m), Hillside School Extension (£0.035m), Dorothy Stringer Dining & Social Space (£0.003m), Patcham School WiFi Installation (£0.002m).	

## Appendix 4 – Capital Programme Performance

<b>Detail Type</b>	<b>£'000</b>	<b>Project</b>	<b>Description</b>	<b>Mitigation Strategy</b>
Budget Slippage	(300)	Dorothy Stringer 3G pitch	Work has begun on the 3G pitch at Dorothy Stringer but there have been some delays. The school had to install bat boxes for ecological reasons and the contractors have had two incidents whilst undertaking ground works causing disruption to gas and electricity supply.	Electricity cables which had been laid unusually close to the surface, causing an obvious hazard across the pitch area, required risk assessment which has now been completed and works are now progressing again.
<b>Stronger Families Youth &amp; Comm</b>				
Budget Reprofile	4	Two Year Olds – Capital Funding	Reprofile of overspent budget into 2015/16.	
Variance	(1)	Sure Start Early Years	Underspend of £0.001m.	

## Adult Services – Capital Budget Summary

Forecast Variance Month 9 £'000	Service	2014/15 TBM 9 Budget £'000	Reported at Other Committees £'000	IFRS / Other Changes £'000	Variation, Slippage/ reprofile £'000	2014/15 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
0	Adults Assessment	372	0	0	(61)	311	311	0	0.0%
0	Adults Provider	81	0	0	(27)	54	54	0	0.0%
0	Commissioning and Contracts	124	0	0	(35)	89	89	0	0.0%
<b>0</b>	<b>Total Adult Services</b>	<b>577</b>	<b>0</b>	<b>0</b>	<b>(123)</b>	<b>454</b>	<b>454</b>	<b>0</b>	<b>0.0%</b>

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

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Adults Assessment</b>				
Budget Reprofile	(61)	Various	Reprofile of various schemes under £0.050m: Adaptations for the Disabled (£0.034m), Telecare (£0.027m).	
<b>Adults Provider</b>				
Budget Reprofile	(27)	Learning Disability Accom	Reprofile of budget under £0.050m to 2015/16.	
<b>Commissioning and Contracts</b>				
Budget Reprofile	(53)	Various	Reprofile of various schemes under £0.050m: Adult Social Care Reform Grant (£0.026m), ASC IT Infrastructure (£0.025m), Autism Innovation (£0.002m).	
Budget Variation	18	Autism Innovation	New scheme to be approved as detailed in Appendix 5.	

Environment, Development & Housing (General Fund) – Capital Budget Summary

Forecast Variance Month 9 £'000	Service	2014/15 TBM 9 Budget £'000	Reported at Other Committees £'000	IFRS / Other Changes £'000	Variation, Slippage/ reprofile £'000	2014/15 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
0	City Infrastructure	3,405	0	0	(273)	3,132	3,061	(71)	-2.3%
0	City Regeneration	4,000	30	0	(2,630)	1,400	1,400	0	0.0%
0	Planning & Building Control	481	0	0	(310)	171	171	0	0.0%
0	Transport	12,280	124	0	(391)	12,013	11,911	(102)	-0.8%
0	Housing General Fund	2,134	0	0	278	2,412	2,363	(49)	-2.0%
<b>0</b>	<b>Total Environment, Development &amp; Housing GF</b>	<b>22,300</b>	<b>154</b>	<b>0</b>	<b>(3,326)</b>	<b>19,128</b>	<b>18,906</b>	<b>(222)</b>	<b>-1.2%</b>

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

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>City Infrastructure</b>				
Budget Reprofile	(25)	Heritage Lottery Fund - The Level	Required additional works have been identified to make minor modifications to the scheme. It is proposed to use budget transfer from scheme underspends to fund these works.	
Budget Reprofile	(98)	Various	Reprofile of various schemes under £0.050m: Download Initiative Project (£0.007m), Saunders Park Playground (£0.025m), Queens Park Playground (£0.014m), St Anne`s Wells	

## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			Gardens S106 (£0.016m), Turner Park S106 (£0.014m), Communal Recycling Project – Capital £0.025m, Woodingdean Allotments (£0.033m), East Brighton Park Parking Controls (£0.006m), Knoll Recreation Ground (£0.039m), Stoneham Park S106 Works £0.011m, The Level skatepark £0.010m, Hove Park Depot £0.010m.	
Budget Slippage	(150)	Sheepcote Valley Household Waste	The development requires planning permission, however, there were delays to the submission to allow time for ecological surveys on site.	A planning application has been submitted by Veolia and is due to be determined imminently.
Variance	(71)	Heritage Lottery Fund – The Level	The underspend variance largely relates to disputed sums in relation to the café building works. The final value has now been agreed at a sum which is less than budgeted.	
<b>City Regeneration</b>				
Budget Reprofile	(118)	Improvements to New England House	The government grant agreed through City Deal was only agreed in November and received in late December 2014. Options for the redevelopment are still being explored.	
Budget Reprofile	(123)	Circus Street Development	The planning application for Circus Street was agreed later than originally planned and this means that the council's related expenditure in supporting the post planning project delivery will need to be reprofiled to 2015/16.	
Budget Reprofile	(2,219)	Super Connected Cities	Super Connected Cities Project. The Broadband Voucher Scheme (£2.038m) has had lower uptake from local business than originally budgeted. The Brighton Digital Exchange (£0.091m) has largely been delayed to discovery of asbestos on site resulting in delays to the scheme. A new project end date of 31 May has been permitted by BDUK. The	

## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			Wireless hot spots scheme (£0.090m) has been delayed at some sites due to the complexities of installations. Project extension and a budget re-profile has been agreed by the grant award body.	
Budget Reprofile	(257)	Waterfront Development	Most of the development costs incurred to date have been met by Standard Life Investments resulting in the underspend in 2014/15. An external legal team from Osborne Clarke has now been appointed to lead on the drafting and negotiation of the complex documents and agreements needed for both Waterfront sites on behalf of the council. CBRE has been appointed to review and provide advice upon the development appraisals and further resources have been identified and approved by the Executive Leadership Team to support the internal project team. The programme needs to be reprofiled to meet the costs now being incurred in 2015/16.	
Budget Reprofile	(74)	Various	Reprofiling of various small schemes is requested including: Preston Barracks Site (£0.010m), Open Market (£0.007m), Falmer Released Land (£0.043m), Regeneration of Black Rock (£0.016m), Redevelopment- King Alfred Swimming Pool £0.030m, Brighton Centre Redevelopment £0.019m, i360 Project and Landscaping (£0.017m), Seafront Infrastructure (£0.030m).	
Budget Variation	161	Various	Variations to Strategic Investment Fund (SIF) projects: New England House £0.002m, Preston Barracks Site £0.020m, Circus Street Development £0.002m, Open Market £0.001m, Falmer Released Land £0.003m,	

## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			redevelopment - King Alfred Swimming Pool £0.037m, Waterfront Redevelopment £0.033m, Royal Pavilion Estate £0.021m, The Keep (Major Projects) £0.002m, Falmer Community Stadium £0.007m, i360 Project and Landscaping £0.033m. Each year, when legal fees are known, SIF project budgets are varied to accommodate these costs from approved SIF funding.	
Reported at Other Committees	30	Seafront Infrastructure	Previously agreed at P&R Committee on 19 <sup>th</sup> March 2015.	
<b>Planning and Building Control</b>				
Budget Slippage	(310)	Ann Street / Providence Place Improvements	The contractors progress has been much slower than originally estimated. This is because council has had to prioritise the contractor's work on completing other key road and public realm works in the city (notably Edward Street improvements, Vogue Gyratory improvements and works around seafront arches/A259 seafront road).	Priority works must always be undertaken which can impact on schemes with lower priority.
<b>Transport</b>				
Budget Reprofile	(415)	Local Transport Plan (LTP)	Significant scheme re-profiles include; delays to improvements in the London Road area due to re-phasing of works as requested and agreed with bus operators to minimise delays in line with the council's Network Management duties; contractual disputes with suppliers due to quality and programme delays; unspent developer contributions for transport schemes relating to school developments being dependent on the school's capital programme timetable. As these are outside of the control of the capital budget holder, reprofiling to 2015/16	



## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			is requested.	
Budget Reprofile	(68)	Repair and Renew Flood Scheme	Consultants were late providing the necessary Property Level Protection Survey required in order to employ contractors to implement the recommended measure from the survey, i.e. installation of flood boards. Reprofile to 2015/16 is therefore requested.	
Budget Reprofile	(337)	Access to SDNP - Ditchling Road	Due to high rainfall for prolonged periods of time in March 2015, contractors were delayed from starting work on this off-road route until the ground had dried out to a workable level. Reprofile to 2015/16 is therefore requested.	
Budget Reprofile	(152)	North Street Environmental Improvement	The North Street project is funded by Royal Bank of Scotland through a S278 agreement and project-managed externally by Urban Movement. In terms of managing spend, the council's role is effectively administrative in this instance. The works took slightly longer to start on site than the Project manager had originally estimated, necessitating re-profiling of £0.152m spend originally forecast for 2014/15 into 2015/16.	
Budget Reprofile	3	Various	Reprofile of various schemes under £0.050m: Brighton Marina to River Adur Study £0.006m, Multi Operator Bus Ticketing (£0.003m).	
Reported at Other Committees	124	Falmer Infrastructure Works	Agreed at Policy & Resources Committee on 16 December 2014.	
Budget Variation	171	Local Transport Plan (LTP)	This variation is covered by Section 106 funding applied to schemes during the financial year.	
Budget Variation	70	King`s Road / West Street	New scheme to be approved in Appendix 5. Capital costs associated with emergency works following the road collapse at the Kings Road /	

## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			West Street junction.	
Budget Variation	337	Access to SDNP - Ditchling Road	This scheme/variation is covered by grant funding received in March 2015.	
Variance	(102)	Controlled Parking Schemes	It is not possible to be entirely accurate with regards to the cost of parking schemes until they have been designed and consulted upon, through several different stages. For example only a small area around Wish Park wanted a scheme although the whole of the Wish Ward was consulted. The greatest expenditure is for Pay and Display machines but the capital costs also include signing, lining, traffic orders and other works associated with implementing parking schemes which are not known with accuracy until the final detailed design and Traffic Order stage prior to going live.	
<b>Housing General Fund</b>				
Budget Reprofile	(16)	Permanent Travellers' Site	Drainage works have caused delays at the Travellers site. The project will be completed in 2015/16 and a reprofile is requested..	
Budget Reprofile	367	Disabled Facilities Grants	Disabled Facilities Grant (DFG) is a mandatory Housing grant (Housing Grants, Construction and Regeneration Act 1996). The council has a statutory duty to administer DFG grant applications and payments within specified timescales. Recent reports to Housing Committee (18/06/14, 10/09/14 & 04/03/15) have updated members on capital pressures and commitments on the private sector housing adaptations budget arising from increasing demand as the council enables more disabled adults and children with more complex needs to live as independently as possible at home. In 2014/15 there were a record number of DFG	Housing Committee have been updated on proactive housing options work to better manage demand for private sector housing adaptations and the role of the Housing Adaptations Service in making the best use of the council's existing housing stock and opportunities to increase the supply of accessible council housing. Housing Committee have agreed a series of actions to be taken to mitigate the capital funding pressures

## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			completions (179 in 2014/15 compared to 107 in 2013/14, 149 in 2012/13) and a corresponding record level of expenditure in the year. Housing Committee have been updated on the budget impact of the end of private sector housing renewal capital on the ability to 'top up' DFG allocation from Government and of the national evidence on the cost-benefit of timely adaptations, in particular delivering direct savings in relation to care costs, deferred entry into residential care and preventing unnecessary hospital admissions.	highlighted this year and next. An update report is being prepared for June 2015 Housing Committee.
Budget Reprofile	(104)	Various	Reprofiling of budget under £0.050m: Renovation Grants (£0.030m), HAOT - Major Adaptation (£0.024m), Horsdean Travellers Transit Site (£0.050m).	
Budget Variation	32	HAOT (Housing Adaptation Occupational Therapy)- Major Adaptation	Variation to budget under £0.050m.	
Variance	(260)	LDV - Ongoing Costs	This capital scheme relates to capital works on Seaside Homes Properties, subsequent to development works and under the management of Temporary Accommodation. This scheme is funded by a management fee paid to the council from Seaside Homes and managed within the funding limits. Costs of major works will be subject to service charges in future years and will be funded from within the management fees.	
Variance	211	LDV - Post Lease Refurbishment	This capital scheme relates to capital works on properties that have been leased to Seaside Homes to bring homes across the city to a	

**Appendix 4 – Capital Programme Performance**

Detail Type	£'000	Project	Description	Mitigation Strategy
			<p>decent standard before being handed to Temporary Accommodation to nominate and manage the properties. This scheme is funded by a development fee paid to the council from Seaside Homes at an average cost of £0.023m per property (inflated by 5% on anniversary of the overarching agreement) and managed within these funding limits. The value of works over the budgeted amount will be funded from within the refurbishment fee.</p>	

## Appendix 4 – Capital Programme Performance

### Environment, Development & Housing (Housing Revenue Account) – Capital Budget Summary

Forecast Variance Month 9 £'000	Service	2014/15 TBM 9 Budget £'000	Reported at other Committees £'000	IFRS / Other Changes £'000	Variation, Slippage/ reprofile £'000	2014/15 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
0	City Regeneration	360	0	0	(57)	303	303	0	0.0%
(791)	Housing	29,635	0	944	(1,954)	28,625	28,651	26	0.1%
<b>(791)</b>	<b>Total Environment, Development and Housing HRA</b>	<b>29,995</b>	<b>0</b>	<b>944</b>	<b>(2,011)</b>	<b>28,928</b>	<b>28,954</b>	<b>26</b>	<b>0.1%</b>

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

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>City Regeneration</b>				
Budget Reprofile	(106)	Redevelopment of vacant HRA garage sites	Three former garage sites at Foredown Road and Flint Close, Portslade and Hardwick Road, Hangleton have now been handed over to the constructors to build twelve two and three bedroom houses, including a wheelchair accessible home. Completion will be in 2016 . The majority of expenditure will occur in 2015/16.	
Budget Reprofile	49	Various	Reprofiling of budget for schemes under £0.050m: Feasibility and Design - Housing Investment £0.049m.	
<b>Housing</b>				
IFRS/Other Changes	944	Various	Please see paragraph 3.16 (v) of the main report for a general explanation of IFRS changes. Capitalisation of Property and Investment Team salaries allowable	

## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			under IFRS regulations.	
Budget Reprofile	135	Preston Road Refurbishments	The Refurbishment of Preston Road commenced on site in January 2015. The approved budget total is £0.444m; (original allocation of the budget was £0.060m in 2014/15 and £0.384m for 2015/16) the cash flow forecast has been revised to reflect the progress of the scheme which is ahead of timetable, with £0.135m budget brought forward from 2015/16.	
Budget Reprofile	(87)	Brookmead Site Development	The project start will now be June 2015. Completion is expected in 2017. A budget reprofile to 2015/16 is therefore requested.	
Budget Reprofile	(28)	Balchin Court Redevelopment	Scheme complete. Retention money & fees of £0.028m are due to be paid in early 2015/16. A budget reprofile is therefore requested.	
Budget Reprofile	(50)	ICT Fund	There is a requirement for reprofiling of funds to enable future investment in housing systems.	
Budget Reprofile	(334)	Solar PV Citywide	There have been some minor delays due to poor weather at times and supply chain issues, which have now been resolved. In order to ensure quality is maintained it is now expected that all projects will be completed by the end of April 2015. Reprofiling to 2015/16 is required.	
Budget Reprofile	(354)	Cladding	Funds for the Clarendon Road project will be reprofiled as this project has been delayed due to the planning application process and agreement taking longer than originally planned.	
Budget Reprofile	(369)	Structural Repairs	Works at St Aubyns Gardens have taken longer than expected as further building issues have come to light as works progressed; because of this funds will need to be reprofiled into 2015/16 to finance the completion of the project.	
Budget Reprofile	(165)	Lifts	The lift invoices are paid in line with milestone tasks being completed. The average time for completion of	The 2015/16 HRA Capital Programme includes a budget of

## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			lift replacements in a block with 2 lifts requiring 'knock-throughs' (so both lifts serve all floors) is circa 20 to 25 weeks per lift (40 to 50 weeks per block) – depending on how many floors there are in the block. With works starting at different points throughout the year, it is likely that lift replacements will span financial years. That is the case with Leach Court, Dudeney Lodge, Wiltshire House and St James' House lift replacement. Work on Phillip Court North lift was completed on the 17th April 2015. Phillip Court South lift starts on the 27th April. Highcroft Lodge started on the 26th January 2015 and will enter service on Monday 27th April. Elwyn Jones Court has been moved to the last year of the lift replacement programme (2017/18) as part of the revised 5 year plan we are now working to.	£3.4m for the lift replacement and repair programme. The current forecast for 2015/16 is that this budget is sufficient to complete the works programmed for 2015/16. Therefore the £0.165m unspent 2014/15 budget will be carried forward to 2016/17 to meet the commitments of the lift programme in that financial year.
Budget Reprofile	(111)	Various	Reprofile of budget for various schemes under £0.050m: Roofing (£0.031m), Windows (£0.039m), Manor Place (£0.008m), Block Conversions (£0.033m).	
Budget Slippage	(339)	Citywide Conversions & Extension Programme	Six dwellings have been identified for conversion but the works started too late in the financial year to complete. Funding is required to be reprofiled to 2015/16.	
Budget Variation	(302)	EDB	Budget of £0.302m has been transferred to revenue to fund EDB items not classified as capital expenditure.	
Budget Variation	50	ICT Fund	Budget requirement for reprofiling to enable future investment in housing systems.	
Variance	(65)	Balchin Court Redevelopment	Underspend of £0.065m as a result of contingency budget that was not required.	
Variance	118	Minor Capital Works	An increase in demand on the minor works capital budget has led to an overspend. TBM month 9	Met from underspends on other projects within the HRA Capital

## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			Identified an overspend of £0.105m.	Programme in 2014/15.
Variance	(86)	Empty Properties	This project is based on a reactive (needs based) basis and the number of Empty Homes. TBM month 9 Identified an underspend of £0.133m.	
Variance	367	Roofing	This budget has significantly overspent this year due to an urgent roof replacement being required at the Robert Lodge blocks. Due to the number of issues that have been reported recently it was felt that investing in a new roof now would eliminate future issues. TBM month 9 Identified an overspend of £0.355m.	Met from underspends on other projects within the HRA Capital Programme in 2014/15.
Variance	(85)	Windows	There has been underspend on Essex Place project of £0.047m. The balance of the budget of £0.039m is required to be reprofiled to meet commitments in 2015/16.	
Variance	(480)	Citywide Conversions & Extension Programme	The underspend on this project has been the result of a review of the extensions policy and the subsequent reduction in the number of properties being worked on. This policy is being reviewed as it was felt that the existing policy was not necessarily offering the best solution for the city's housing needs. TBM month 9 Identified an underspend of £0.569m.	The 2015/16 HRA Capital Programme includes £1.198m for the Citywide conversions and extensions programme
Variance	275	Condensation & Damp Works	The overspend is due to an influx of saturated cavity wall insulation which had to be removed to eradicate damp and mould to several properties. TBM 9 Identified an overspend of £0.217m.	Met from underspends on other projects within the HRA Capital Programme in 2014/15.
Variance	170	Capital Works Assessment	A large number of scheme feasibility reports were commissioned to enable a period of catch up and allow for future planning of schemes in the upcoming years capital programme. It is envisaged that this will now keep ahead of the programme so no further overspends are expected in future years	Met from underspends on other projects within the HRA Capital Programme in 2014/15.
Variance	(53)	Cycling Facilities	No sites were identified in 2014/15.	The 2015/16 HRA Capital



## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
				Programme includes a reduced budget of £0.030m for Cycling facilities.
Variance	(150)	Asbestos	The underspend is due to more asbestos being managed in-situ rather than being removed. TBM month 9 Identified an underspend of £0.156m.	
Variance	(226)	Fire Safety	Part of the Bates Estate Fire upgrade works were delayed awaiting advice from the Fire Health and Safety Board. The Fire Safety programme is an annual programme and the allocation of budget for 2015/16 is sufficient to complete the required works in 2015/16. The underspend includes budget carried forward from 2013/14 which is not required. The previously reported underspend was £0.191m at TBM month 9.	The 2015/16 HRA Capital Programme includes a budget allocation of £0.208m for Fire Safety.
Variance	(75)	Cladding	Underspend due to lower than anticipated costs on the Essex Place Project.	
Variance	(210)	Insulation	Programming of capital projects is being spread out more efficiently over 2 financial years, with the amount of budget required for the insulation programme reducing as the majority of schemes, carried through our partnership contract, attract energy grants. The insulation programme is an annual programme and the allocation of budget for 2015/16 is sufficient to complete the required works in 2015/16. The previously reported underspend was £0.184m at TBM month 9.	The 2015/16 HRA Capital Programme includes a budget allocation of £0.104m for insulation works.
Variance	(53)	Cyclical Decorations (External & Internal)	A decision was made part way through the year to bring forward the cyclical decoration programme of works. While assessing what works were required, more external works were identified than internal and therefore a decision was made to complete these works and finance these by using the underspend on the internal decorations. Overall there is an	

## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			underspend of £0.053m for cyclical decorations.	
Variance	364	Kitchens	The increased expenditure on Kitchens is due to the requirement to ensure that the partnership meets the decency standard target in the city.	Met from underspends on other projects within the HRA Capital Programme in 2014/15.
Variance	(153)	Water Tanks	Three months without a Building Services Engineer (now recruited via agency) has impacted on the water tank replacement / repair programme originally set up. The programme is now underway but will not be completed within the timescale originally set. The water tanks programme is an annual programme and the allocation of budget for 2015/16 (which includes budget of £50k from 2014/15 budget allocation) is sufficient to complete the works identified in the programme. Note that the previously reported underspend was £0.080m at TBM month 9.	The annual allocation in 2015/16 of £0.200m is sufficient to meet programme commitments.
Variance	(128)	Door Entry Systems replacement & repair	The door inspection and resulting repair / replacement programme has impacted on the Door Entry System (DES) upgrade/replacements. DES replacement / upgrade cannot be actioned until a decision is made regarding the actual entrance / exit doors in blocks. The Leaseholder consultation process for door and DES is then combined. The DES upgrade / replacements are an annual programme and the allocation of budget for 2015/16 is sufficient to complete the works in 2015/16. The previously reported underspend was £0.100m at TMB month 9.	The 2015/16 HRA Capital Programme includes a budget allocation of £0.285m for door entry systems replacement and repairs.
Variance	496	Domestic & Communal Rewire	Overall the rewire programme has overspent due to the higher than expected demand for urgent works to be carried out in empty properties and also the higher than expected number of empty properties coming through the process. TBM month 9 identified an overspend of £0.311m.	Met from underspends on other projects within the HRA Capital Programme in 2014/15.

## Assistant Chief Executive - Capital Budget Summary

Forecast Variance Month 9 £'000	Service	2014/15 TBM 9 Budget £'000	Reported at other Committees £'000	IFRS / Other Changes £'000	Variation, Slippage/ reprofile £'000	2014/15 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
0	Communications	0	0	0	0	0	0	0	0.0%
0	Royal Pavilion Arts & Museums	395	0	0	(255)	140	140	0	0.0%
0	Sports & Leisure	133	0	0	(76)	57	57	0	0.0%
0	Libraries	233	0	0	(65)	168	168	0	0.0%
0	Corp Policy & Communities	0	0	0	0	0	0	0	0.0%
0	Tourism & Venues	12,042	0	0	(2,817)	9,225	9,225	0	0.0%
<b>0</b>	<b>Total Assistant Chief Executive</b>	<b>12,803</b>	<b>0</b>	<b>0</b>	<b>(3,213)</b>	<b>9,590</b>	<b>9,590</b>	<b>0</b>	<b>-0.0%</b>

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

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Royal Pavilion Arts &amp; Museums</b>				
Budget Reprofile	(222)	New Historical Records Office	There are a number of outstanding works from the capital project still to be completed, primarily relating to ICT and fixtures, fittings & equipment. In addition, decisions remain to be made by the partners on the allocation of the contingency, options for which are under active consideration. Budget reprofiling is therefore requested.	
Budget Reprofile	(33)	Museum Van Replacement	Reprofiling of budget under £0.050m.	

**Appendix 4 – Capital Programme Performance**

<b>Detail Type</b>	<b>£'000</b>	<b>Project</b>	<b>Description</b>	<b>Mitigation Strategy</b>
<b>Sports &amp; Leisure</b>				
Budget Reprofile	(45)	Volks Railway Solar Project	The capital funds relate to the Volks Railway HLF (Heritage Lottery Fund) bid. These funds have been allocated by HLF to the council solely for the development of the Stage 2 application. The project is still in the development stages and the Stage 2 application is expected to be submitted in June 2015 with a decision made by HLF in September. Therefore all expenditure is in line with HLF timescales and guidelines and has been re-profiled accordingly for use in this financial year. All funds will be spent by September.	
Budget Reprofile	(31)	Various	Net underspend from various schemes under £0.050m: West Pier Arches Fit Out (£0.019m) and Withdean Capital Scheme (£0.012m).	
<b>Libraries</b>				
Budget Slippage	(65)	Woodingdean Library	The project was due to complete during 2014/15, but has been delayed due to complexity of IT and implementation issues.	The scheme will be undertaken in 2015/16.
<b>Corp Policy and Communities</b>				
			No changes	
<b>Tourism &amp; Venues</b>				
Budget Reprofile	(2,817)	I360 Project	The i360 development was approved at the Special Meeting of Policy & Resources Committee on 6th March 2014. The council is funding a total of £36.2m toward the total scheme value of £46.2m and financial close was reached in June 2014 with work on site commencing shortly afterwards with an intended completion date of June 2016. The original budget of £12.0m for 2014/15 has over-estimated the level of spending in the first year. In addition there have been some delays to the ground works but the project is still on track to complete at the end of June 2016. The	

**Appendix 4 – Capital Programme Performance**

<b>Detail Type</b>	<b>£'000</b>	<b>Project</b>	<b>Description</b>	<b>Mitigation Strategy</b>
			majority of the spend for this project will occur in 2015/16 and £2.817m will be required to be reprofiled into 2015/16. Forecast total spending on the project is currently projected to be within the overall budget.	

## Appendix 4 – Capital Programme Performance

### Public Health

Forecast Variance Month 9 £'000	Service	2014/15 TBM 9 Budget £'000	Reported at other Committees £'000	IFRS / Other Changes £'000	Variation, Slippage/ reprofile £'000	2014/15 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
0	Public Health	252	0	0	(75)	177	177	0	0.0%
0	Public Protection	195	0	0	(78)	117	117	0	0.0%
<b>0</b>	<b>Total Public Health</b>	<b>447</b>	<b>0</b>	<b>0</b>	<b>(153)</b>	<b>294</b>	<b>294</b>	<b>0</b>	<b>0.0%</b>

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

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Public Health</b>				
Budget Reprofile	(75)	Public Health - Drugs & Alcohol Recovery	This underspend relates to a delay in spend by one of the Substance Misuse partners (Crime Reductions Initiative) to whom a grant was awarded in 2014/15 as part of the Drug & Alcohol Recovery capital funding programme from Public Health England. There was a delay in a planning application for the St Thomas Fund (managed by CRI). As a result, the spend will now take place in 2015/16 and confirmation has been received from Public Health England that the funding can be carried forward.	
<b>Public Protection</b>				
Budget Reprofile	(78)	Taxi Catalytic Reduction Scheme	Department for Transport (DfT) funded project with a short time period for completion by 1st April 2015. The project relies on partners in the taxi trade and with GreenUrban Technologies designing and retrofitting new prototype technology to the exhaust systems of	

**Appendix 4 – Capital Programme Performance**

Detail Type	£'000	Project	Description	Mitigation Strategy
			<p>the minibus taxis to reduce oxides from nitrogen emissions. Minibus taxis are contracted out to schools during term time so this leaves only the school holidays to take some models off the road for design measurement and fitting phase of the project. This is targeted to happen for 22 vehicles over Easter and half term and summer holidays. The Department for Transport (DfT) have confirmed that extension beyond April 2015 to practically design and fit this new pilot technology is acceptable. It has been agreed that £0.078m will be carried over to 2015/16.</p>	

## Appendix 4 – Capital Programme Performance

### Finance, Resources and Law - Capital Budget Summary

Forecast Variance Month 9 £'000	Service	2014/15 TBM 9 Budget £'000	Reported at other Committees £'000	IFRS / Other Changes £'000	Variation, Slippage/ reprofile £'000	2014/15 Budget Month 12 £'000	Provisional Outturn Month 12 £'000	Provisional Variance Month 12 £'000	Provisional Variance Month 12 %
0	City Services	250	0	0	11	261	261	0	-0.0%
0	HR Organisational Development	165	0	0	0	165	0	(165)	-100.0%
0	ICT	2,758	0	0	(1,338)	1,420	1,420	0	0.0%
0	Property & Design	7,397	0	(204)	(2,954)	4,239	4,246	7	0.2%
0	Perf Improvement & Programmes	10	0	0	0	10	0	(10)	-100.0%
0	Finance	0	0	0	0	0	0	0	0.0%
<b>0</b>	<b>Total Finance, Resources and Law</b>	<b>10,580</b>	<b>0</b>	<b>(204)</b>	<b>(4,281)</b>	<b>6,095</b>	<b>5,927</b>	<b>(168)</b>	<b>-2.8%</b>

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

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>City Services</b>				
Budget Reprofile	(59)	Woodvale Cremators For Mercury Abatement	The original plan was to spend the remaining capital funding by 31 March 15 but delays occurred due to the difficulty in obtaining suitable quotes for the works needed in the Mortuary to meet Health and Safety standards, as well as	



## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			finding a suitable generator which could be upgraded to service the mortuary. It is intended to complete the project in 2015/16 and a reprofile is therefore requested.	
Budget Reprofile	21	CEM Parking	Reprofile of budget under £0.050m.	
Budget Variation	49	Bailiffs Vehicles	New scheme still to be approved. Please see Appendix 5 for details.	
<b>HR Organisational Development</b>				
Variance	(165)	Human Resources System	This scheme has now finished with an underspend. The PIER system has been in place for some years but further developments were planned after the main implementation. Although there has been some additional expenditure, and more planned, the amounts are small and since it would have to be repaid, would add additional budget pressure to the service's revenue budget in future years. Further expenditure will not therefore be capitalised. This is also in the context of the current contract with Midland for PIER expiring in two years time.	
<b>ICT</b>				
Budget Reprofile	(149)	Workstyles Phase 2 - ICT Resources	To support corporate ICT and EDRM / back-scanning associated with moves that were undertaken in Workstyles Phase 2. Although the building works and staff moves have been completed for Workstyles Phase 2 there has been a backlog of EDRM development and document scanning that is required for teams within Children's Services. The reprofile of £0.149m will allow the final completion of this work in 2015/16.	The ICT support for Workstyles Phases is dependent on other ICT Investment and infrastructure changes.
Budget	(100)	ICT Compliance	Slippage due to later than expected	There is high demand for ICT

## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
Slippage			commencement of this work as a result of other projects taking priority.	infrastructure, compliance and service specific investment and support. Planned investment is supported on schedule wherever possible but the impact of an aging infrastructure can lead to the need to reprioritise investment and support in-year.
Budget Slippage	(990)	ICT Core Infrastructure	Slippage due to technical complexities of the datacentre migration project which have led to a re-planned approach to the physical relocation of equipment, resulting in some expenditure taking place later in the project than expected.	
Budget Slippage	(99)	Various	Slippage of budgets for several schemes under £0.050m: Information Management (£0.049m), ICT Workstyles Planning (£0.023m), ICT Governance & Security (£0.008m) and Internal Customer Access to Information (£0.019m).	There is high demand for ICT infrastructure, compliance and service specific investment and support. Planned investment is supported on schedule wherever possible but the impact of an aging infrastructure can lead to the need to reprioritise investment and support in-year.
<b>Property &amp; Design</b>				
IFRS/Other Changes	(204)	Workstyles Phase 3 - Accommodation Strategy	Please see paragraph 3.16 (v) of the main report for a general explanation of IFRS changes. For the Workstyles project some of the costs are of a day-to-day servicing nature and are not capital expenditure. It would be impracticable for an authority to assess every item of expenditure when it is incurred as to whether it has enhanced an asset. The practical situation is instead that at the year-end an assessment is made by programme managers and finance to make sure that expenditure is correctly classified as capital or	The profile of the original budget was dependent on a wide range of factors including decisions about accommodation units by services. The budget now needs reprofiling to reflect an updated payment profile

## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			revenue. The capital budgets are reduced by the same amount as the items that are subsequently charged to revenue.	
Budget Reprofile	(65)	Hollingdean Depot Health & Safety	The planned weatherproofing works to the suspended slab structure were postponed late in 2014/15 due to the decision to press on with the building of the new vehicle workshop. Part of this work involves the demolition of the slab structure. Funds will be used to address other priority works at the depot.	
Budget Reprofile	(149)	Madeira Terrace Structural Repairs & Resurface	Owing to further structural defect findings discovered during the refurbishment of the two trial bays, works were halted to assess options. The reinforced concrete deck was not reinstated but priority given to remedial safety works and fencing. The funding is required to continue with these measures in early 2015/16 and onwards. A budget reprofile to 2015/16 is therefore requested.	
Budget Reprofile	(217)	Workstyles Phase 2 - Accommodation Strategy	Although the building works and staff moves have been completed for Workstyles Phase 2 there has been a requirement for final investment in some buildings such as Bartholomew House and a need to retain funding for contingency works whilst Phase 2 completes and Phase 3 commences. The requested reprofile of £0.217m will allow the final completion of this work in 2015/16 and provide a contingency for Phase 3.	The profile of the original budget was dependent on a wide range of factors including decisions about accommodation units by services.
Budget Reprofile	(1,418)	Hollingdean Depot Capital Costs	There have been delays on the Hollingdean Depot scheme pending site evaluations, design and option reviews as a result of more contamination testing in conjunction with the Environment Agency and Southern Water. The service has now worked up a refurbishment option of the existing workshop and work will commence in in 2015/16.	

## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			A budget reprofile to 2015/16 is therefore requested.	
Budget Reprofile	(280)	Workstyles Phase 3 - ICT Costs	The Workstyles Phase 3 project is being implemented over 4 years with a total of £2.0m set aside for ICT investment. This phase commenced during 2014/15 and is being run in conjunction with the building works associated with the project. There was a delay in the programme whilst an appeal to have Hove Town Hall registered as a listed building was heard and subsequently rejected. At the same time a review of the business case for Workstyles Phase 3 was undertaken to ensure that the programme provides the best fit with the council's current structure. Whilst the assumptions around the whole of Workstyles has changed the investment for ICT will remain at £2.0m with the majority of spend required in 2015/16 and 2016/17. A reprofile of £0.280m is therefore requested into 2015/16 for the ICT budget.	The ICT support for Workstyles Phase 3 is dependent on ICT investment and infrastructure changes.
Budget Reprofile	(394)	Workstyles Phase 3 - Backscanning Equipment	The Workstyles Phase 3 project is being implemented over 4 years with a total of £1.5m set aside for back-scanning and / or EDRM investment. This phase commenced during 2014/15 and will be run in conjunction with the building works and ICT investment associated with the project. There was a delay in the programme whilst an appeal to have Hove Town Hall registered as a listed building was undertaken and a further review of the Workstyles business case was undertaken. The majority of the spend for EDRM will now be required in 2015/16 and 2016/17 in readiness for when teams move locations. A reprofile of £0.394m is therefore	The backscanning support for Workstyles Phase 3 is dependent on ICT investment, office moves and infrastructure changes.

## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			requested into 2015/16 for the backscanning works.	
Budget Reprofile	(500)	Workstyles Phase 3 - Project Resources	The Workstyles Phase 3 project is being implemented over 4 years with a total of £1.482m set aside for project resourcing. This phase commenced in 2013/14 and project support was run in parallel with the finalising of Phase 2. There was a delay in the programme whilst an appeal to have Hove Town Hall registered as a listed building was undertaken and a further review of the Workstyles business case was undertaken. The majority of the spend relates to support for implementing Phase 3 and retains a number of staff that worked on Phase 2. A reprofile of £0.500m is therefore requested into 2015/16 for the project resources to support the Workstyles Phase 3 programme.	The resourcing of Workstyles Phase 3 is dependent on ICT investment, office moves and infrastructure changes.
Budget Reprofile	(143)	Preston Manor External Repairs Phase 2	Preston Manor has been the subject of a rolling programme of refurbishment for the last few years. Due to the packaging and phasing of the works the 2014/15 underspend will assist with the delivery of the final phase of the external refurbishment in 2015/16 for which a budget reprofile is requested.	
Budget Reprofile	118	External Improvement Works	The Social Care external works budget has overspent as the council had to undertake additional external works on Hangleton Park, Wellington House, Sellaby House, Wayfield Avenue & Knoll House, Greenhouse, Tudor House, Tarnar, Ireland Lodge, Craven Vale and Ferndale Road.	
Budget Reprofile	(56)	Various	Budget reprofiling for several schemes under £0.050m: Asbestos Surveys (£0.012m), Statutory DDA Access Works Fund £0.030m, Corporate	

## Appendix 4 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			Fire Risk Assessments £0.004m, Legionella Works £0.035m, NEH Replacement of Fire Alarm System (£0.010m), Brighton Town Hall Basement Improvements (£0.003m), Holy Trinity external stoneworks £0.022m, Brighton Museum Replacement Fire System (£0.020m), Brighton Centre Replacement of Chiller Units (£0.010m), Hove Town Hall South End Office Refurbishment (£0.031m), King Alfred Landlord Responsibility £0.007m, Misc Internal Refurbishments £0.005m, Passenger Lifts Health & Safety Works (£0.033m) and Mechanical Boiler Replacements (£0.040m).	
Budget Variation	121	Carbon Reduction Commitment (CRC)	The CRC Energy Efficiency Scheme is a UK government scheme. It is designed to improve energy efficiency and cut carbon dioxide (CO2) emissions in private and public sector. Under the CRC Energy Efficiency Scheme the authority has an obligation to purchase and surrender allowances in relation to carbon dioxide emissions for the year. Any unused allowances are held as intangible assets and may be used in future years of this phase of the scheme which runs from 1 April 2014 to 31 March 2019.	
Budget Variation	29	Various	Budget variations from several schemes all under (£0.050m) each: Corporate Fire risk assessments (£0.025m), NEH Replacement of Fire Alarm System £0.042m, HTH Enhancement (0.049m), Bats Cladding & Window Replacement £0.049m, NEH Health & Safety Improvements (£0.042m), Workstyles Phase 3 Building Works £0.025m and Workstyles Phase 3 Backscanning Equipment £0.029m	
<b>Perf Improvement &amp; Programmes</b>				
Variance	(10)	Interplan	Scheme has now finished with an underspend.	

**Appendix 4 – Capital Programme Performance**

**Corporate Services**

<b>Forecast Variance Month 9 £'000</b>	<b>Service</b>	<b>2014/15 TBM 9 Budget £'000</b>	<b>Reported at other Committees £'000</b>	<b>IFRS / Other Changes £'000</b>	<b>Variation, Slippage/ reprofile £'000</b>	<b>2014/15 Budget Month 12 £'000</b>	<b>Provisional Outturn Month 12 £'000</b>	<b>Provisional Variance Month 12 £'000</b>	<b>Provisional Variance Month 12 %</b>
0	Corporate Services	25	0	0	0	25	25	0	0.0%
<b>0</b>	<b>Total Corporate Services</b>	<b>25</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25</b>	<b>25</b>	<b>0</b>	<b>0.0%</b>

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

<b>Detail Type</b>	<b>£'000</b>	<b>Project</b>	<b>Description</b>	<b>Mitigation Strategy</b>
<b>Corporate Services</b>				
			No changes	





**New Schemes added to the Capital Programme after TBM Month 9, requiring approval.**

<b>New Capital Project Approval Request</b>				
Unit:	Transport			
Project title:	King's Road / West Street Repairs			
Total Project Cost (All Years):	£70,000			
<b>Purpose, benefits and risks:</b>				
To fund the capital costs associated with emergency works required for the road collapse at King's Road near the junction with West Street. The capital costs relate to design and construction of the structural repairs required, caused by the failure of historic alterations to the structure under the road.				
<b>Capital expenditure profile (£'000):</b>				
Year	This Year	Next Year	Year After	TOTAL
Revenue Contributions	63			63
Capital Reserves	7			7
Total estimated costs and fees	70			70
<b>Financial implications:</b>				
Funding for this one-off emergency cost has been identified from contingency budget and capital reserves.				

New Capital Project Approval Request				
Unit:	Adult Social Care - Commissioning			
Project title:	Autism Innovation (Capital) Grant			
Total Project Cost (All Years):	£18,500			
<b>Purpose, benefits and risks:</b>				
<p>This is a new, small and non-recurrent grant that the Department of Health made available to Local Authorities during 2014/15.</p> <p>The funding is to support work on implementing Think Autism, the recent update to the 2010 Adult Autism Strategy for England. The funding can be used to purchase new electrical equipment or IT developments, or for making environments used by people with autism such as public buildings more autism friendly. The grant will be utilised to purchase IT equipment. This equipment will be installed and used in Brighton &amp; Hove libraries and will consist mainly of Ipads, autism friendly apps and headphones. Training will be arranged for libraries staff so as to be able to support people with autism using the equipment. <b>Benefits:</b> Autism friendly equipment will help people with autism use mainstream services and will raise awareness of the needs of people with Autism. The equipment will encourage people with Autism to use libraries to socialise and develop their IT skills. The use of tablet devices will provide an opportunity to create a point of contact where information about services is provided and feedback is gathered. <b>Risks:</b> The equipment might be used by the general public instead of being targetted to people with autism. This will be solved by training library staff, by having regular sessions only for people with autism, and by relevant signage and information.</p>				
<b>Capital expenditure profile (£'000):</b>				
Year	This Year	Next Year	Year After	TOTAL
Grant (please state)	18.5			18.5
Total estimated costs and fees	18.5			18.5
<b>Financial implications:</b>				
<p>Funding has been provided by the Department of Health to provide support for people with autism. This grant needs to be spent by 31st March 2015.</p>				

New Capital Project Approval Request				
Service:	City Services			
Project title:	Replacement Enforcement Agent Vehicles			
Total Project Cost (All Years):	£49,000			
<b>Purpose, benefits and risks:</b>				
<p>Following the pay modernisation process, the enforcement agents &amp; inspectors were no longer required to provide their own vehicles for work. In consequence it has been necessary for the Revenues &amp; Benefits section to supply vehicles to cover requirements of the enforcement agents and inspectors section to perform their duties. The supply of these vehicles will contribute to the effectiveness of revenue collection for the council. The cost is largely mitigated by the removal of car user allowances (£0.011m per year) and mileage payments will be replaced by the cheaper fuel only costs. There are risks as the council now owns the cars and is responsible for the upkeep/repairs required.</p>				
<b>Capital expenditure profile (£'000):</b>				
Year	This Year	Next Year	Year After	TOTAL
Unsupported Borrowing	49			49
Total estimated costs and fees	49			49
<b>Financial implications:</b>				
<p>This cost is funded by unsupported borrowing and will be repaid over the next five years.</p>				

**New Schemes to be added to the Capital Programme in 2015/16 to be approved.**

<b>New Capital Project Approval Request</b>				
Service:	Property & Design			
Project title:	Hove Town Hall Great Hall Multi Agency Hub			
Total Project Cost (All Years):	£250,000			
<b>Purpose, benefits and risks:</b>				
<p>The purpose of this funding is to fit out the first floor of the Great Hall in Hove Town Hall to allow a co-location of the Citizens Advice Bureau, Money Advice Service and East Sussex Credit Union (the original business case only funded the core conversion of the Great Hall into an open plan space). This project is key to the Council's objective of promoting working in partnership with Voluntary sector and other public agencies. The benefits of all three agencies co-locating will reduce their running costs (they will be sharing interview rooms and reception space) and this will also provide an enhanced customer service as clients often have to visit all three agencies, who are currently in locations across the city. There is a severe shortage of affordable accommodation for these agencies and if this facility is not provided, the risk would be that the agencies may not be able to continue providing their services.</p>				
<b>Capital expenditure profile (£'000):</b>				
Year	This Year	Next Year	Year After	TOTAL
Capital Reserves	50	200		250
Total estimated costs and fees	50	200		250
<b>Financial implications:</b>				
<p>The cost of the project will be met from Capital Reserves.</p>				

<b>Subject:</b>	<b>Addition to Education Capital Resources and Capital Investment Programme 2015/2016</b>		
<b>Date of Meeting:</b>	Children & Young People Committee - 1 June 2015 <b>Policy &amp; Resources Committee – 11 June 2015</b>		
<b>Report of:</b>	<b>Executive Director of Children’s Services</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Michael Nix</b>	<b>Tel: 29-0732</b>
	<b>Email:</b>	<b>michael.nix@brighton-hove.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

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

- 1.1 In order to determine an overall Capital Programme for Brighton & Hove City Council, each service is asked to consider its capital investment requirements, within the level of allocated resources for 2015/16.
- 1.2 In March the Children & Young People Committee agreed the allocation of funding available in the capital programme under Structural Maintenance, Pupil Places and Condition investment for 2015/16. At that time the capital maintenance allocation was based on an estimate of the expected grant funding.
- 1.3 When the allocations of grant funding were announced we received a larger than expected settlement. As a result of this the previous report considered by Committee left £1.903million unallocated.
- 1.4 On 27<sup>th</sup> March 2015 the council were informed that they had been allocated £686,412 in respect of Universal Infant Free School Meals (UIFSM).
- 1.5 The purpose of this report is to recommend the allocation of this additional £1.903 million for 2015/16 within the Structural Maintenance programme and the £686,412 allocated for UIFSM. The proposals contained in this report were considered by the Children, Young People and Skills Committee at its meeting on 1 June 2015 and recommended to this Committee for approval.

**2. RECOMMENDATIONS:**

- 2.1 That the level of available capital resources totalling £18.383 million for investment relating to education buildings financed from capital grant, revenue contributions and reserves set aside for primary places be noted.
- 2.2 That Committee approve the allocation of this additional £1.903 million as shown in Appendices 2 and 3 for inclusion within the council’s Capital Investment Programme 2015/16.

- 2.3 That Committee approve the allocation of £686,410 in respect of Universal infant Free School Meals funding as shown in Appendix 4 for inclusion within the council's Capital Investment Programme 2015/16.
- 2.4 That Committee grant delegated authority to the Assistant Director of Property & Design to procure the capital maintenance and basic need works and enter into contracts within these budgets, as required, in accordance with Contract Standing Orders in respect of the entire Education Capital Programme.

**3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 The Education capital programme forms part of the Council's full Capital Investment Programme which was presented to this Committee on 12 February 2015 and Budget Council on 26 February 2015.

**Capital Finance Settlement**

- 3.2 On 9<sup>th</sup> February 2015, the Government announced the Capital Maintenance settlement for 2015/16, with indicative allocations for 2016/17 and 2017/18.
- 3.3 Capital Maintenance allocations are funded entirely through capital grant.
- 3.4 The table below shows the allocations of capital grant funding announced for 2015/16.

	<b>2015/16 Settlement £m</b>
Capital Maintenance Grant	4.909
Basic Need Funding	12.039
Devolved Formula Capital Grant	0.535
<b>Total</b>	<b>17.483</b>

This table only includes funding allocated for building related work. It does not include budgets managed by others (including the UIFSM funding).

**Addition to the Capital Investment Programme**

- 3.5 An overall summary of agreed expenditure for 2015/16 and 2016/17 is attached at Appendix 2 and a more detailed explanation of the additional £1.903 million allocations is shown in Appendix 3 and below.

**Structural Maintenance and other property related priorities**

- 3.6 Central government used a different method to calculate the amount of maintenance grant this year which has resulted in a significantly higher settlement than we were expecting.
- 3.7 A major priority of the Asset Management Plan is to reduce the amount of condition related works required in schools. A rolling programme of works has

been prepared which currently shows a backlog of £31million. The March report allocated £2.906 million from the total funding available to carry out structural maintenance works in the 2015/16 financial year.

- 3.8 The proposed programme is prioritised using the Department for Education (DfE) condition criteria. The highest level of priority is attached to the renewal or replacement of building elements which fall within Grade D (as being in bad condition, being life-expired and/or in serious risk of imminent failure) and within the 'Priority 1' definition:

Priority 1 Urgent work, which will prevent immediate closure of premises and/or address an immediate high risk to the health & safety of occupants and/or remedy a serious breach of legislation

- 3.9 In the current year the total D1 priority work identified is approximately £2.642 million excluding fees (£2.906 million including fees). By allocating £2.006 million from Capital Maintenance Grant together with £0.9m which has been approved as a revenue contribution to capital from Dedicated Schools Grant (DSG) we will be able to address all the D1 priority works.
- 3.10 The extent of the work at each school will be determined by the condition survey and detailed investigation and scoping of the problem to be addressed. There will also be discussion with each school on the timing and scoping of the works.
- 3.11 A copy of the initial structural maintenance programme approved by this Committee on 19 March is attached at Appendix 5 to this report.
- 3.12 It is now recommended that the additional items shown in Appendix 3 are added to the previously agreed structural maintenance programme.
- 3.13 This additional work has been identified as the most urgent of the D2 priority works. The definition of priority 2 is 'Essential work, required within two years, which will prevent serious deterioration of the fabric or services and/or address a medium risk to the health & safety of occupants and/or remedy a less serious breach of legislation'.
- 3.14 This additional work includes additional phases or works that were commenced last year or have been included in the initial allocations made in the March committee report.
- 3.15 This higher level of funding available for the 2015/16 financial year will also be available for the following two financial years. It is hoped that by being able to address the most urgent D2 priority works during this period of time that the backlog maintenance will start to reduce over the next three years.
- 3.16 One element of planned maintenance that has been under represented in recent years is that of electrical installations. The essential testing is undertaken as are any resultant urgent remedial works. With the increased level of funding for the next three financial years we intend to look more closely at the electrical supply, loadings and infrastructure within schools to determine a strategy for improvement and upgrading where appropriate.

## **Universal Infant Free School Meals (UIFSM)**

- 3.17 Additional Universal Infant Free School Meals (UIFSM) capital funding has been allocated to Brighton & Hove City Council in 2015/16 to support schools in improving their kitchen and dining facilities. In line with the provision of this funding we propose to continue with the upgrading of kitchen and dining facilities (where required).
- 3.18 The plan for this year (subject to sufficient funding) will involve improvement works, mainly the replacement of atmospheric steamers with combination ovens which offer the opportunity to increase the number of meals cooked ( as a result of shorter cooking times) without the need to increase the footprint of the kitchen.
- 3.19 A list of the works proposed is attached at Appendix 4.
- 3.20 There is also a requirement to provide some additional heavy equipment to enable staff to cope with increases in demand e.g. food mixers.

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

- 4.1 The only option available would be to not make use of this funding to improve or extend the education property portfolio. This is not recommended as it would limit our ability to maintain, modernise and improve our school buildings property portfolio and to secure sufficient school places.

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

- 5.1 There has been no specific consultation regarding the content of this report. When an individual project is developed the necessary consultation is undertaken and reported to the relevant committee.

## **6. CONCLUSION**

- 6.1 The proposed total capital Investment programme will enable us to continue to ensure that we secure school places in areas of the city where they are required and to improve the condition of our education property portfolio.

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

### Financial Implications:

- 7.1 The report sets out the allocation of capital resources included in the Capital Investment Programme 2015/16 as approved by Budget Council on 26 February 2015 that were announced as part of the capital finance settlement in December 2014 and February 2015. The Universal Infant Free School Meals funding was announced in late March 2015 and this will be included within the council's Capital Investment Programme but will not necessarily relate to investment in education building work. Any uncommitted resources will be reported back to this Committee with detailed plans in due course. The revenue implications of any capital investment will be met from existing revenue budgets.



Finance Officer Consulted: Rob Allen

Date: 27/4/15

Legal Implications:

- 7.2 There are no direct legal implications arising from this report. Individual projects may give rise to specific issues which will be covered by the individual reports referring to them.

Lawyer Consulted: Serena Kynaston

Date: 21/04/2015

Equalities Implications:

- 7.3 There are no equalities implications arising from this programme which would impact disproportionately on any defined groups. New and refurbished buildings will conform with all relevant regulations and be fully accessible.

Sustainability Implications:

- 7.4 There are no direct environmental implications arising from this report. The environmental impacts of individual schemes are reported to Members when the detailed report is submitted to Policy & Resources Committee for final approval. The detailed planning of projects at educational establishments will take account of the implications of Brighton & Hove's policies in relation to sustainability issues generally.

Any Other Significant Implications:

- 7.5 These are listed in Appendix 1.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Other significant implications
2. Revised Overall Summary of capital allocations for 2015/16
3. Additional Structural maintenance programme
4. UIFSM suggested school works
5. Original structural maintenance programme

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

1. None

### **Background Documents**

1. Capital report and Investment Programme

Crime & Disorder Implications:

- 1.1 The detailed planning of projects will take account of security issues

Risk and Opportunity Management Implications:

- 1.2 There are no risk issues in terms of resources or risks to children as a result of this proposal

Public Health Implications:

- 1.3 There are no public health implications arising from this report

Corporate / Citywide Implications:

- 1.4 The Capital Maintenance Grant identified in this report is evidence of the government's continuing support for the Council's work as a Local Education Authority. The Basic Need Funding is indicative that the DfE understands the issues of primary and secondary places we face in the city.



APPENDIX 2

	CAPITAL MAINTENANCE			BASIC NEED			Previous years	2014/15	2015/16	2016/17	Scheme Totals
	2014/15	2015/16	2016/17	2014/15	2015/16	2016/17					
2014/15	£2,862,976			£3,960,650							
2015/16		£4,909,255			£12,038,759						
2016/17			£4,909,255			£12,640,697					
Revenue Contributions	£900,000	£900,000	£900,000	£142,000							
Borrowing				£493,448							
Targeted Basic Need				£1,500,000							
Reserves set aside for Primary School investment				£6,096,098	£12,038,759	£12,640,697					
<b>TOTALS</b>	<b>£3,762,976</b>	<b>£5,809,255</b>	<b>£5,809,255</b>	<b>£6,096,098</b>	<b>£12,038,759</b>	<b>£12,640,697</b>					
<b>Condition related works</b>											
Legionella	£150,000	£150,000	£150,000								£3,500,000
Asbestos	£150,000	£150,000	£150,000								£4,000,000
Fire Risk Assessments	£150,000	£150,000	£150,000								£150,000
Ventilation in Kitchens	£150,000	£150,000	£150,000								£150,000
<b>Additional works agreed by committee in March</b>	<b>£2,500,000</b>	<b>£2,906,200</b>	<b>£3,000,000</b>								
<b>Additional Condition works proposed in this report</b>	<b>£0</b>	<b>£1,899,700</b>									
Advanced design on future schemes	£150,000	£150,000	£150,000								£5,805,900
Surveys (condition gas etc)	£100,000	£100,000	£100,000								£150,000
Individual Pupil needs	£150,000	£150,000	£150,000								£150,000
<b>Proposed new school for Howe</b>											
Police station refurbishment (2014)	£100,000			£1,900,000							£1,500,000
											£2,000,000
											£1,500,000
<b>Connaught Expansion (2014)</b>											
				£500,000							£500,000
<b>Dorothy Stringer Improvements</b>											
				£142,000							£142,000
<b>Bulge Classes</b>											
Howe for September 2014				£100,000							£230,000
Brighton for September 2014				£100,000							£100,000
Furniture for bulge classes as children move through school											£10,000
Queens Park additional accommodation required from 2012 bulge				£30,000	£10,000						£30,000
Somerhill additional accommodation from 2012 bulge at Davigdor					£30,000						£100,000
											£1,400,000
<b>Aldrington Primary School Expansion</b>											
Extension project				£1,100,000							£1,340,000
Contribution towards Blatchington Mill improvement project				£240,000							£1,100,000
											£240,000
<b>Fund to assist with Solar PV</b>											
				£50,000	£50,000						£50,000
Additional Form of Entry at St Andrew's C.E Primary				£1,250,000	£1,450,000						£1,450,000
Additional Form of Entry at Salelean Primary				£1,250,000	£1,650,000						£1,650,000
<b>Additional secondary provision</b>											
				£1,675,000	£5,000,000	£3,325,000					£5,000,000
											£3,325,000
<b>Carry forward from previous year</b>											
				-£365,649	£1,875,253	-£1,873,506					-£1,873,506
											£1,875,253
Total Commitments	£3,600,000	£5,805,900	£4,000,000	£7,971,351	£10,165,253	£1,451,494					£15,971,153
Outstanding balance	£162,976	£3,355	£1,809,255	-£1,875,253	£1,873,506	£1,189,203					£3,430,000
											£11,571,351
											£5,451,494

Notes  
 Figures in red are amended from the March report



## Appendix 3

Property / Category	Description of works	Budget estimate
<b>General</b>		<b>£240,000</b>
Blatchington Mill School	Replacement wall ties and lintels	
Carlton Hill Primary School	Increased scope & budget for repairs to retaining wall	
Connaught-West Hove Infant School	Damp-proofing works	
Hove Park Upper School	Lintels replacement & repointing	
Jeanne Saunders Centre	Repoint brickwork to retaining wall, replace lintel and repoint south elevation	
Portslade Village Centre	Renew remaining single glazed windows	
Royal Spa Nursery	Render repairs to monument	
St George's House (PRU)	Repairs to boundary walls	
Tarnerland Nursery	Concrete repairs to air raid shelter	
<b>Roofing</b>		<b>£1,016,000</b>
Blatchington Mill School	Roof over gym	
Brackenbury Primary School	Roof over Annex	
Carden Primary School	Flat roof replacement above nursery	
Carlton Hill Primary School	Replace flat roof. Phase 3	
Coombe Road Primary School	Replace pitched roof by Southside of the middle playground	
Elm Grove Primary School	Chimney repairs (in conjunction with roofing on Structural Programme)	
Goldstone Primary School	Recover flat roof	
Hangleton Junior School	Replace flat roof coverings to first floor classrooms	
Middle Street Primary School	Increased scope & budget for roofing work already included	
Portslade Sports Centre	Recover flat roofing phase 2 & replace cladding	
Stanford Junior School	Recover pitched roofs	
West Hove Junior School	Recover flat roof over corridor	
West Hove Junior School	Recover roof to Caretaker's House	
Woodingdean Primary School	Recover flat roofs (Infant side)	
<b>Resurfacing</b>		<b>£71,000</b>
Bevendean Primary School	Resurface playground (lower)	
Bevendean Primary School	Resurface playground (upper)	
Davigdor Infant School	Resurface car park	
Davigdor Infant School	Resurface playground	
Longhill School	Resurface tennis court phase 3	
<b>Mechanical</b>		<b>£400,000</b>
Blatchington Mill School	Replace heating distribution for main building. Phase 1	

### Appendix 3

Blatchington Mill School	Replace heating distribution for main building. Phase 2		
Blatchington Mill School	Replace heating distribution for main building. Phase 3		
Brackenbury Primary School	Replace boiler in annex		
Cedar Centre, Lynchet Close	Improve hot & cold water circulation		
Elm Grove Primary School	H&C water service		
Fairlight Primary School	Works to heating system		
Goldstone Primary School	Replace Keston boilers		
Homewood College	Replace heating to break room		
		Net Total	<b>£1,727,000</b>
		Fees @10%	<b>£172,700</b>
		Net total with fees	<b>£1,899,700</b>



### Universal Infant Free School Meals Funding

Schools identified as requiring works:

1. Goldstone Primary School – continued increasing roll – additional cooking capacity required
2. St Marys RC Portslade – replacement of equipment to assist in more efficient cooking due to increased demand
3. Carden Primary school – replacement of equipment to assist in more efficient cooking due to increased demand
4. Coldean Primary school– replacement of equipment to assist in more efficient cooking due to increased demand
5. Moulsecoomb Primary School– replacement of equipment to assist in more efficient cooking due to increased demand
6. Queens Park Primary School– continued increasing roll – additional cooking capacity required
7. St Bartholomew CE School– replacement of equipment to assist in more efficient cooking due to increased demand
8. St Bernadette’s RC School– replacement of equipment to assist in more efficient cooking due to increased demand
9. St John the Baptist RC School – replacement of equipment to assist in more efficient cooking due to increased demand
10. West Blatchington Primary School – replacement of equipment to assist in more efficient cooking due to increased demand
11. Woodingdean – replacement of equipment to assist in more efficient cooking due to increased demand
12. Downs View Special School – replacement of equipment to assist in more efficient cooking due to increased demand
13. Bevendean Primary School – replacement of equipment to assist in more efficient cooking due to increased demand



## Appendix 5

Property	Description of works	Budget estimate
<b>Electrical Works</b>		<b>£8,000</b>
Hertford Junior School	Replace electrical switchgear	
<b>General</b>		<b>£587,000</b>
Carlton Hill Primary School	Remedial works to retaining wall (phase)	
Longhill School	Repair spalling concrete to Block A & Block 3	
St Luke's Primary School	Masonry repairs	
Carden Primary School	Replace structural glazing to 1no stairwell	
Bevendean Primary School	Replace wall ties to dining hall (east)	
Bevendean Primary School	Demolish water tower	
Hangleton Primary School	Install surface water drainage at bottom of rear access road outside boiler room	
Hove Park School	Drainage repairs (lower School)	
Moulsecoomb Primary School	Drainage repairs	
Queens Park Primary School	Take up slabbed area outside rear classrooms & tarmac	
Woodingdean Community Centre	Cladding replacement & timber repairs (phase 2)	
Downs View School	Replace ramp to mobile in Ash Cottage garden	
Stanford Junior School	Repointing work to single storey rear elevation (phase 2)	
Stanford Junior School	Damp proofing works to rear classrooms/reception	
Woodingdean Primary School	Repair 10nr lintels to infants classroom south elevation	
Longhill School	Structural repairs to curtain wall	
West Hove Junior School	Toilet Refurbishment	
Jeanne Saunders Centre	Corroded lintels/repointing	
Royal Spa Nursery	Render repairs to Portico	
<b>L8 Works</b>		<b>£335,000</b>
Carden Primary School	Replace heating pipework & hot & cold water pipework under floor. Phase 2	
Fairlight Primary School	Replace hot & cold water services	
Patcham Junior School	Replace pipework	
Rudyard Kipling Primary School	Replace hot & cold water services	
Saltdean Primary School	Replace hot & cold water services	
<b>Mechanical Works</b>		<b>£871,000</b>
67 Centre	Heating distribution pipework below floor corroded, replacement advised. Allocated for year 12/13	
Brackenbury Primary School	Replace heating to annexe	
Hangleton Primary School	Install new boiler plant & convert to gas.	
Rudyard Kipling Primary School	Replace boilers	
Downs Park School	Replace boilers	

## Appendix 5

Westdene Primary School	Replace fan coil units
Carden Primary School	Replace boiler
Surrenden Pool	Renew plant
Goldstone Primary School	Replace boilers
Hangleton Primary School	Upgrade H/C water services
Longhill School	Replace fan coil units
Somerhill Junior School	Replace Heating Controls
Woodingdean Community Centre	Replace external gas pipe

### **Resurfacing** **£54,500**

Moulsecomb Primary School	Resurface car park
Woodingdean Primary School	Resurface car park
Longhill School	Resurfacing of tennis courts

### **Roofing** **£786,500**

Balfour Primary School (Junior)	Replace tiled roof above library and classrooms (phase 2)
Cedar Centre, Lynchet Close	Replace x11 roof lights to roof
Hertford Infant School	Replace flat roof phase 1
Middle Street Primary School	Flat roof replace (phase 3; playground toilets & entrance porch) external wall repairs & redecoration
Patcham House School	Recover flat roofs to rear.
Patcham Junior School	Recover pitched roof to rear
Royal Spa Nursery	Replace main roof lights
Saltdean Primary School	Renew flat roof above head teachers office
Somerhill Junior School	Recover roof above staffroom
St Georges House ACE	Recover pitched roofs phase 2
St Peters Infant School	Replace asphalt covered roof
Stanford Infant School	Replace flat roof and cladding/asbestos removal
Elm Grove Primary School	Corridor flat roof
West Hove Junior School	Replace the roof to Caretaker's House

Nett Total	<b>£2,642,000</b>
Fees @10%	<b>£264,200</b>
Nett Total with fees	<b>£2,906,200</b>

<b>Subject:</b>	<b>Brighton &amp; Hove Fairness Commission</b>		
<b>Date of Meeting:</b>	<b>11 June 2015</b>		
<b>Report of:</b>	<b>Assistant Chief Executive</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Richard Butcher Tuset</b>	<b>Tel: 29-5514</b>
	<b>Email:</b>	<b>Richard.Tuset@brighton-hove.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

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

- 1.1 Despite Brighton & Hove's economic success there are still a number of ongoing and significant challenges the city faces with regards to equality and fairness, which stand to be compounded by further years of public spending austerity.
- 1.2 The Council's Corporate Plan 2015-19 outlines our principles of increasing equality and active citizenship. This report recommends the establishment of a fairness commission for Brighton & Hove that will help inform solutions to these issues and provide a means of testing and informing the implications of future policy and budgetary decisions proposed by the Council.

**2. RECOMMENDATIONS:**

- 2.1 That the Committee agrees in principle to the establishment of a fairness commission;
- 2.2 That the Committee notes that the detailed Terms of Reference and ways of working for a fairness commission will be considered by the Neighbourhoods, Communities and Equalities Committee at its meeting on 6<sup>th</sup> July; and
- 2.3 The Committee notes that the recommendations of the Neighbourhoods, Communities and Equalities Committee with draft Terms of Reference will come back to this Committee for final approval on 9<sup>th</sup> July 2015.

**3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 The Corporate Plan 2015-19 sets out our purpose, values and priorities. The principles working across the plan include our commitment to increasing equality and ensuring everyone is able to share in the city's prosperity.
- 3.2 As made clear in our Corporate Plan 2015-19, under the heading of *Increasing Equality (p14)*, the city has significant issues related to inequality and fairness that the Council wishes to address:

- 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 in the city.
  - One in five children and young people in the city live in poverty, rising to one or two in the most deprived areas.
  - Almost three quarters of households cannot afford housing (either to buy or rent) without a subsidy or spending a disproportionate level of their income on housing costs.
  - Inequality is spread across the city and not just limited to more deprived areas.
  - There has been a rapid increase in food banks in the city from two to twelve over an eighteen month period. Around one in eight households are thought to experience fuel poverty.
- 3.3 Based on learning from elsewhere a fairness commission offers a strong and objective forum which can create a coordinated and evidenced approach to increasing equality and would help to deliver our own Corporate Plan 2015-19. The following sets out what others have done and the practical steps to establishing a fairness commission.
- 3.4 This report draws on fairness commissions from around the country, particularly Islington, York, Croydon and Plymouth. In addition we have reviewed the report commissioned by the All Party Parliamentary Committee on Poverty which has analysed the fairness commission work to date across England and Wales.
- 3.5 A fairness commission is a group or body of senior influencers, often independently Chaired, which explores and recommends ways to increase fairness and reduce inequality for citizens. They have been developed in response to evidence of increasing inequalities in social, economic and health conditions.
- 3.6 Where they have been set up by local authorities, fairness commissions have presented a clear means of testing and informing the implications of policy and budgetary decisions proposed by those authorities.
- 3.7 Although there is no single agreed model for fairness commissions, the majority of commissions have significant commonalities in terms of membership, terms of reference, evidence-gathering, and in the type of recommendation they make.
- 3.8 The engagement mechanisms for a commission can include several evidence-gathering meetings in public; informal meetings with stakeholder groups; written submissions; undertaking a range of public engagement activities, including holding large consultation meetings, issuing surveys, and organising 'meet the commissioners' surgery style events.
- 3.9 By engaging residents and city stakeholders in understanding needs and future changes in public service provision there will be opportunities to explore how the

relationship between public services and the city's citizens, businesses and visitors will need to change in the future.

- 3.10 In undertaking this work the commission would use a range of existing and planned evidence sources including the 2007 *Reducing Inequality Review*, the *Joint Strategic Needs Assessment* and the *Report of the Director of Public Health*, which in 2015 will be looking at inequality. A fairness commission for Brighton & Hove will not replicate this work but explore and bring a fresh perspective to the complex issues of fairness and equality in the city.
- 3.11 Fairness commissions have tended to examine and make recommendations around similar types of issues. Most commissions have divided their work up into themed areas. These vary, but the most common being: health & wellbeing, jobs/pay, housing, safety, and transport. Other themes have included fuel poverty, access to services, economic growth, benefits and skills.
- 3.12 It should be noted that a number of pieces of work have been done in the city that would ordinarily constitute themes of a fairness commission, such as a Brighton & Hove Living Wage Commission and a programme of work around financial inclusion which led to the commissioning of a Community Banking Partnership. A fairness commission would offer a timely opportunity to review where this work has got to and examine the potential further impact of continuing austerity.
- 3.13 A fairness commission would be expected to take a year to meet and produce a final report with SMART recommendations for the Council and its key local partners.
- 3.14 Based on learning from elsewhere the Chair of a fairness commission is often an independent person selected on the basis of their knowledge around fairness and equality and their ability to provide strong leadership in setting the strategic direction.
- 3.15 A commission will comprise representatives from the private, public and voluntary sector and aim to ensure appropriate and relevant expertise around equality and fairness are included. The Chair would also help select the appropriate membership.
- 3.16 Recognising the complexities around equality and fairness issues and how they cut across public services, a commission will engage with our city partners, including the Police, health services, universities and the community and voluntary sector (CVS).

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

- 4.1 The proposal for a fairness commission is set against the backdrop of austerity and changes to welfare reform. With the required changes to public service provision it is important to understand the potential impact of these changes on residents in the city. A fairness commission can be a successful way to both achieve this understanding and engage residents and stakeholders in the process. This way of working supports better and more effective collaboration between citizens and service providers in finding solutions to issues.

- 4.2 Other options include not undertaking the review which in light of future challenges and the already significant need in the city is not proposed.
- 4.3 Another option includes simply undertaking a desk top study but this would weaken the approach by not establishing a group to examine and challenge the issues independently. This option would also remove the opportunity for residents and stakeholders to take part in identifying problems and the required solutions.

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

- 5.1 A commission will engage with the city and hold themed meetings with both communities of interest (e.g Young People, BME, Disability and LGBT) and place (neighbourhoods) to ensure a balanced and well-founded set of conclusions and recommendations.

## **6. CONCLUSION**

- 6.1 The Corporate Plan 2015-19 sets out the Council's agreed arrangements for long term planning and service delivery.
- 6.2 A fairness commission for Brighton & Hove will help the Council deliver its Corporate Plan 2015-19 commitments as they relate to reducing inequality by providing conclusions and recommendations that effectively help guide and inform future policy, budget and service delivery arrangements.
- 6.3 Through community stakeholder engagement a commission will also create opportunities to look at ways of providing public services differently and achieve better outcomes. Collaboration with our citizens will be central to this work.

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

- 7.1 The set-up and running costs of a fairness commission are expected to be met from within existing budget resources. It is anticipated that the chair and members would receive subsistence and travel expenses.
- 7.2 The financial implications arising from a commission's recommendations will help inform future budget development and the Medium Term Financial Strategy.

*Finance Officer Consulted: Michelle Herrington Date: 29/05/15*

### Legal Implications:

- 7.3 The proposals in the report are consistent with the Council's powers and duties under the Equalities Act 2010 and the general powers of competence in the Localism Act 2011.
- 7.4 Under the Council's Constitution, the power to set up commissions is delegated to the Policy & Resources Committee.



Equalities Implications:

- 7.5 In establishing a fairness commission existing information and evidence will be reviewed to ensure that the draft scope and Terms of Reference will cover all relevant communities and issues in the city, specifically bearing in mind the Council's legal duties (including the Equality Act 2010). The draft scope and Terms of Reference will be considered by the Neighbourhoods, Communities and Equalities Committee and the Chair of a commission.
- 7.6 The intention of a fairness commission's recommendations and findings is to produce a high level strategic equality impact framework for the city, which will guide policy decisions and service delivery in the coming 4 years and work in line with the Budget and the Medium Term Financial Strategy (MTFS).

Sustainability Implications:

- 7.7 A broad definition of sustainability, which takes account of the health and wellbeing of people and communities as well as the environment, is wedded through the principles and priorities of our Corporate Plan 2015-19. These are interconnected in terms of the causes and outcomes of inequality, which a fairness commission would seek to address.

