



# Overview & Scrutiny Commission

Title:	<b>Scrutiny panel on the 2015/16 budget</b>
Date:	<b>6 January 2015</b>
Time:	<b>10.00am</b>
Venue	<b>Council Chamber, Hove Town Hall</b>
Members:	<b>Councillors:</b> Littman Mitchell Simson
Contact:	<b>Giles Rossington Acting Head of Scrutiny Room 128 Kings House Grand Avenue Hove</b>

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## AGENDA

<b>Part One</b>	<b>Page</b>
<b>5</b> Procedural Business	<b>1 - 2</b>
<b>6</b> Minutes of the previous meeting	
Minutes to follow.	
<b>7</b> Chair's Communications	
<b>8</b> Budget Discussion	<b>3 - 170</b>
The witnesses will include:	
<u>ASC</u>	
Denise D'Souza: Executive Director, Adult Social Care	
<u>Housing</u>	
Cllr Bill Randall: Chair of Housing Committee	
Geoff Raw: Executive Director, Environment, Development & Housing	
<u>Public Health</u>	
Dr Tom Scanlon, Director of Public Health	
The budget strategy report is included in these papers for information.	
<b>9</b> Date of Next Meeting	
The date of the final meeting of the panel is 8 <sup>th</sup> January from 10am-12 noon.	

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

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

For further details and general enquiries about this meeting contact Giles Rossington, (01273 291038 – email [giles.rossington@brighton-hove.gov.uk](mailto:giles.rossington@brighton-hove.gov.uk) or email [scrutiny@brighton-hove.gov.uk](mailto:scrutiny@brighton-hove.gov.uk)

Date of Publication 19.12.14



**To consider the following Procedural Business:**

**A. Declaration of Substitutes**

Where a Member of the Committee is unable to attend a meeting for whatever reason, a substitute Member (who is not a Cabinet Member) may attend and speak and vote in their place for that meeting. Substitutes are not allowed on Scrutiny Select Committees or Scrutiny Panels.

The substitute Member shall be a Member of the Council drawn from the same political group as the Member who is unable to attend the meeting, and must not already be a Member of the Committee. The substitute Member must declare themselves as a substitute, and be minuted as such, at the beginning of the meeting or as soon as they arrive.

**B. Declarations of Interest**

- (1) To seek declarations of any personal or personal & prejudicial interests under Part 2 of the Code of Conduct for Members in relation to matters on the Agenda. Members who do declare such interests are required to clearly describe the nature of the interest.
- (2) A Member of the Overview and Scrutiny Commission, an Overview and Scrutiny Committee or a Select Committee has a prejudicial interest in any business at a meeting of that Committee where –
  - (a) that business relates to a decision made (whether implemented or not) or action taken by the Executive or another of the Council's committees, sub-committees, joint committees or joint sub-committees; and
  - (b) at the time the decision was made or action was taken the Member was
    - (i) a Member of the Executive or that committee, sub-committee, joint committee or joint sub-committee and
    - (ii) was present when the decision was made or action taken.
- (3) If the interest is a prejudicial interest, the Code requires the Member concerned:
  - (a) to leave the room or chamber where the meeting takes place while the item in respect of which the declaration is made is under consideration. [There are three exceptions to this rule which are set out at paragraph (4) below].
  - (b) not to exercise executive functions in relation to that business and

(c) not to seek improperly to influence a decision about that business.

(4) The circumstances in which a Member who has declared a prejudicial interest is permitted to remain while the item in respect of which the interest has been declared is under consideration are:

- (a) for the purpose of making representations, answering questions or giving evidence relating to the item, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise, BUT the Member must leave immediately after he/she has made the representations, answered the questions, or given the evidence;
- (b) if the Member has obtained a dispensation from the Standards Committee; or
- (c) if the Member is the Leader or a Cabinet Member and has been required to attend before an Overview and Scrutiny Committee or Sub-Committee to answer questions.

#### **C. Declaration of Party Whip**

To seek declarations of the existence and nature of any party whip in relation to any matter on the Agenda as set out at paragraph 8 of the Overview and Scrutiny Ways of Working.

#### **D. Exclusion of Press and Public**

To consider whether, in view of the nature of the business to be transacted, or the nature of the proceedings, the press and public should be excluded from the meeting when any of the following items are under consideration.

*NOTE: Any item appearing in Part 2 of the Agenda states in its heading the category under which the information disclosed in the report is confidential 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.*



**Brighton & Hove  
City Council**

# **POLICY & RESOURCES COMMITTEE ADDENDUM**

**4.00PM, THURSDAY, 4 DECEMBER 2014**

**COUNCIL CHAMBER, HOVE TOWN HALL**



# ADDENDUM

ITEM	Page
<b>GENERAL MATTERS</b>	
<b>87 PUBLIC INVOLVEMENT</b>	<b>1 - 4</b>
To consider the following matters raised by members of the public:	
(c) <b>Deputations:</b> to receive any deputations submitted by the due date of 12 noon on the 27 November 2014.	
(i) Deputation in relation to Hostels – Spokesperson Mr. Duncan Cameron (copy attached).	
<b>FINANCIAL MATTERS</b>	
<b>90 BUDGET UPDATE AND SAVINGS 2015/16</b>	<b>5 - 100</b>
Report of the Executive Director for Finance & Resources (copy attached).	
<i>Contact Officer: Nigel Manvell Tel: 29-3104</i>	
<i>Ward Affected: All Wards</i>	
<b>93 TARGETED BUDGET MANAGEMENT (TBM) 2014/15 MONTH 7</b>	<b>101 - 164</b>
Report of the Executive Director for Finance & Resources (copy attached).	
<i>Contact Officer: Jeff Coates Tel: 29-2364</i>	
<i>Ward Affected: All Wards</i>	



**DEPUTATIONS FROM MEMBERS OF THE PUBLIC**

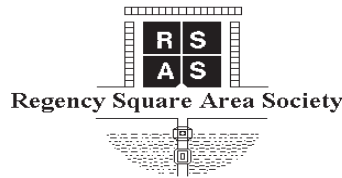
A period of not more than fifteen minutes shall be allowed at each ordinary meeting of the Committee for the hearing of deputations from members of the public. Each deputation may be heard for a maximum of five minutes following which the Chair will speak in response.

Notification of one Deputation has been received. The spokesperson is entitled to speak for 5 minutes.

**Deputation concerning Review of Hostels  
(Spokesperson) – Mr. D. Cameron**

Supported by: Teresa Webber, Julie White, Nigel Rose and Monsignor Jerome Lloyd.

**SUBMISSION TO PPOLICY & RESOURCES COMMITTEE**  
**REGARDING HOSTELS POLICY**



The Regency Square Area Society is concerned about the West Pier Project, and its location in three large buildings in Regency Square. We believe that the WPP is:

1. failing to provide an adequate service to its 45 residents, many of whom have dual diagnosis, and is
2. having a detrimental impact upon the entire area.

and as a result negative feedback loops have developed, leading to a constant “knife edge situation” – inside and outside the hostel.

The RSAS is, however, in favour of much that appears in the B & H Council’s Single Homeless Strategy 2009-2014.

We quote four principles in this report that we as a society fully support –

1. Page 2 - *“Focussing our resources on the city’s most vulnerable residents”*
2. Page 10 – Key Themes in Hostel Policy - *“individual support .....personalised to meet the needs of the individual”*,
3. Page 10 - *“Hostels...are not a place of last resort but are there to provide and create opportunities to change negative behaviours, overcome barriers and to promote independence”*.
4. Page 11 – Our Guiding Principles - *“Engagement – active community, service user and stakeholder engagement”*
5. Page 11 – Our Strategic Objectives – *“Reduce offending and anti-social behaviour”*.

The West Pier Project has failed to comply with these fundamental principles. An in depth review of WPP operations is urgently needed.

THE RSAS BELIEVES THAT THE WPP HOSTELS ARE NOT FIT FOR PURPOSE.

THE RSAS URGES B & H COUNCIL TO CARRY OUT A REVIEW OF HOSTEL POLICY AS IT RELATED TO THE WPP, AND TAKE STEPS TO MOVE RESIDENTS ON -

TO MORE SUITABLE LOCATIONS IN BETTER QUALITY AND LESS INSTITUTIONAL SURROUNDINGS, WHERE THERE IS A REAL CHANCE OF MIXING WITH THE SURROUNDING COMMUNITY.

THE RSAS WOULD BE VERY HAPPY TO COOPERATE IN SUCH A REVIEW AND WOULD LIKE TO BE KEPT FULLY INFORMED ABOUT POLICIES AND DEVELOPMENT.



## Regency Square Society Supporting Information

Here is a brief list of the key failures –

- **Anti-social behaviour – (see principle 4)** The hostels are a source of anti-social behaviour, not only as a result of behaviour shown by residents, but also because they attract other non-institutionalised B & H residents with similar behavioural problems. (Just before the time of writing a homeless man with a close friend in the hostel has been camping out every night opposite the hostel).
- **Economic impact on the area –** Hoteliers in the vicinity of the hostels suffer actual economic harm. In order to understand the impact that these hostels have on the centres of B & H's tourist industry the council should engage with hoteliers and see the situation from their point of view. Some hoteliers have kept diaries of anti-social and criminal behaviour linked to the hotels and would be prepared to share their information with the Council.
- **West Pier Trust residents' human rights – (see Principle 2)** in an attempt to control the "knife edge" situation the Management of the WPP have restricted resident's freedom of movement. They are not allowed to congregate – to sit on the steps – to enter the gardens – to have more than one person in their rooms. Do these humiliating restrictions "create opportunities for change"?
- **Lack of relationship with the surrounding community – (see principle 4)** It is rightly said that "no man is an island" and 45 people with severe behavioural and psychological conditions living in close proximity to each other 24/7 cannot by any stretch of the imagination be described as "creating opportunities for change". The local community in Regency Square is tolerant and diverse – but quite unable to do what any humanitarian community should do – accept people with behavioural problems as members. It is unlikely that a resident could achieve a behavioural change by interacting only with other residents, non-institutionalised people with similar problems, drug dealers and social workers.
- **Unacceptable interpersonal relations in the hostel – (see principle 3)** We pass this information on as hearsay but we have been led to believe that inter-resident relations in the hostels are worse than poor. We suggest that an external auditor should investigate what happens in WPP hostels in order to evaluate the truth of these claims.
- **Obsolete and discredited hostel model (A) - (see principle 2)** Hostels are meant to be a humanitarian replacement for large institutions. By putting 45 such residents together in very close proximity to each other with little relationship with the outside community the residents are being in effect institutionalised.
- **Obsolete and discredited hostel model (B) –** some years ago a current model of social care believed that clients would benefit if a group of people with the same problem were placed together. However it is now believed that this view is unverifiable. A better model is to mix people with different needs in smaller mixed groups. Much recent research is critical of such models.

- **Terms of lease** – The lease states clearly that there should be no anti-social behaviour from hostels. The project is in breach of the lease therefore.
- **Fire regulations** – It is highly unlikely that the three buildings are fully compliant with fire regulations. We suggest that this urgently be investigated by an independent consultant.
- **Drugs policy** – We understand that the WPP policy on drugs is known as “harm reduction”. But the police policy on drug possession and use is one of “zero tolerance”. We do not think these two diametrically opposed policies can be effectively triangulated. If so the WPP must be allowing illegal drug possession and use on council financed premises which is not acceptable.
- **Cost calculations dictating policy – (see principle 1)** – It has been stated on a number of occasions that one advantage of having a large concentration of residents with demanding needs in one place is one of cost reduction. This would seem to be a case of the tail wagging the dog – if the institution becomes dysfunctional as a result of a cost reduction policy is this unfair to hostel residents who should expect a better quality service surely?
- **Externality costs as a result of short-sighted cost reduction calculations** – The extra costs that the WPP project is throwing onto to community are many – the cost of extra police time, the cost of fire ambulance and hospital services, the cost to local hotels from lost business, the cost to local residents as a result of lower house prices
- **Inappropriate location of hostels (A) see principle 4** – Brighton is one of Europe’s leading drugs cities – and the seafront is a focus for the drug culture. It is also one of Britain’s most alcoholic cities – and Preston Street and West Street are one of the key drinking areas of the city. B & H is also a key location for the distribution of designer drugs such as “poke”. It makes no sense at all to place hostels for residents with both drug and alcohol problems in this area. To claim a “harm reduction” policy in such an area is hard to credit.
- **Inappropriate location of hostels (B) see principle 4** – Preston Street with its sometimes aggressive drinking culture can be a dangerous location for the WPP’s many residents who demonstrate bizarre behaviour. Not surprisingly WPP residents are a frequent target for bullying and violence. Is it right to place such vulnerable people in an area where they are bound to be targeted?
- **Questionable strategy in entering into agreement with owners of the three buildings** - in the light of the many disincentives to placing these hostels in Regency Square we would ask how the decision was made to take a lease on these unsuitable buildings in an unsuitable location. We would ask for this question to be investigated.

DUNCAN CAMERON  
RSAS COMMITTEE MEMBER

27 November 2014

<b>Subject:</b>	<b>Budget Update and Savings 2015/16</b>		
<b>Date of Meeting:</b>	<b>4 December 2014</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>James Hengeveld</b>	<b>Tel:</b> <b>29-3104</b> <b>29-1242</b>
	<b>Email:</b>	<a href="mailto:nigel.manvell@brighton-hove.gov.uk">nigel.manvell@brighton-hove.gov.uk</a> <a href="mailto:james.hengeveld@brighton-hove.gov.uk">james.hengeveld@brighton-hove.gov.uk</a>	
<b>Ward(s) affected:</b>	<b>All</b>		

Note: The special circumstances for non-compliance with Council Procedure Rule 3, Access to Information Procedure Rule 5 and Section 100B(4) of the Local Government Act 1972 (as amended), (items not considered unless the agenda is open to inspection at least five days in advance of the meeting) were that some of the key financial information could not be updated until the in-year budget monitoring report elsewhere on the agenda had been completed.

**FOR GENERAL RELEASE**

## 1. PURPOSE OF REPORT AND POLICY CONTEXT:

- 1.1 This report sets out the draft budget proposals for 2015/16 and should be read alongside the draft Corporate Plan 2015-19 and Medium Term Financial Strategy.
- 1.2 The proposals are put forward in the context of a very challenging financial position, with an estimated £102m savings requirement by 2019/20. The proposals are a balanced package of efficiency measures and Value for Money improvements, including income generation, as well as service redesign, re-commissioning and de-commissioning decisions.
- 1.3 Policy & Resources Committee in July 2014 was unable to agree a recommended council tax level for planning purposes and therefore this report is set out in such a way as to enable all options, ranging from a council tax freeze to a council tax rise that would trigger a referendum to be considered.
- 1.4 The feedback from further consultation and scrutiny of this draft budget will be used to adapt and improve the proposals which will be re-presented to Policy & Resources Committee on 12<sup>th</sup> February 2015 prior to a final decision by Budget Council on 26<sup>th</sup> February 2015.

## 2. RECOMMENDATIONS:

That the Committee: –

- 2.1 Notes the updated forecasts for resources and expenditure for 2015/16 and an estimated budget savings requirement for 2015/16 based on a range of council tax propositions.
- 2.2 Notes the approach taken to identifying savings in the context of the council's draft Corporate Plan and Medium Term Financial Strategy.
- 2.3 Notes the detailed proposals for savings in 2015/16 based on a council tax increase of 5.9%, which would trigger a referendum in accordance with Chapter IVZA of the Local Government Finance Act 1992 and associated regulations ("the Referendum Budget").
- 2.4 Notes options for further savings that could form part of the "Substitute Budget" that would be required in addition to the proposals at 2.3 or alternatively to support a budget based on a threshold rise in the council tax (the "Threshold Budget") or a council tax freeze (the "Freeze Budget").
- 2.5 Directs that all of the savings proposals be subject to further consultation, engagement and scrutiny alongside the draft Corporate Plan and Medium Term Financial Strategy.
- 2.6 Notes the indicative allocations of one-off resources for 2015/16 set out in table 1 subject to the identification of sufficient further one-off resources to fund the proposed allocations.
- 2.7 Notes the update on the HRA budget set out in paragraphs 3.31 to 3.34.
- 2.8 Notes the Capital Investment Programme update set out in paragraphs 3.35 to 3.36.

### 3. CONTEXT/ BACKGROUND INFORMATION

#### Structure of the report

- 3.1 The full set of information provided in this report is listed here as an aid to navigation:
  - **Draft Corporate Plan and Medium Term Financial Strategy** – information about the report elsewhere on this agenda and its relationship to this report and proposals;
  - **Resources and Local Financial Settlement updates** - updates are given on the latest position regarding government grant announcements including council tax freeze grant;
  - **Latest Position 2014/15** - a detailed report elsewhere on the agenda sets out the latest revenue and capital expenditure and income forecasts for the current year based on actual spending data for the first 7 months which are also summarised here;
  - **Reserves Position** - a re-assessment is included of the level of reserves available to fund one-off items of expenditure and/or provide short term support for the budget;

- **Fees & Charges** – summary information on changes to fees and charges and is also in the Medium Term Financial Strategy;
- **Cost and Income Pressures** – summary information on specific investment in services, i.e. 'Cost and Income Pressure funding';
- **Budget Savings Requirement** – summary information on the projected level of savings required is provided in Appendix 1;
- **Referendum Budget savings proposals** – the draft savings proposals under a 5.9% council tax increase;
- **Additional Budget savings proposals** – further savings proposals for the Substitute, Threshold and Freeze budgets;
- **Staffing Implications** – summary staffing implications are provided based on the best information available at the time of publishing this report;
- **Housing Revenue Account** – a summary of the HRA position;
- **Capital Programme** – implications for the capital programme and latest resource information;
- **Timetable** – the timetable leading up to Budget Council on 26 February 2015;
- **Community Engagement & Consultation** – feedback on the wide range of consultation undertaken to date together with information on further consultation;
- **Appendices** – the full set of detailed appendices including Equality Impact Assessments is listed at the end of the main report.

### **Draft Corporate Plan and Medium Term Financial Strategy**

- 3.2 The draft Corporate Plan for 2015 - 2019 and Medium Term Financial Strategy are also included on this agenda and should be read alongside these budget proposals. The proposals for next financial year should be viewed in the context of a significant General Fund budget gap over the planning period, driven by reduced government grant funding and rising costs. The proposals are designed to ensure that the council retains its focus on its core purpose and ensures its resources are directed towards the city's agreed strategic priorities.
- 3.3 No changes have been made to the existing taxbase assumptions for 2015/16 and beyond, other than to reduce the expected level of nationally set RPI increase to the level of business rates payable in 2015/16. This is to better reflect the current levels of inflation, rather than using the government's published projection which is considered to be too high. This has had the impact of increasing the size of the budget gap in 2015/16; future years assumptions are set below the governments forecasts and these will be reviewed when updated forecasts are received in December. The current assumptions of 0.25% per annum net increase in the council tax base and 0.5% per annum net increase in the business rates taxbase are already sufficiently challenging when

current performance is taken into account and therefore no further growth will be assumed at this stage.

### **Resources and Local Government Finance Settlement for 2015/16**

- 3.4 The Chancellor of the Exchequer is due to make his Autumn statement on the national budget on 3<sup>rd</sup> December 2014 and on the same day the Office of Budget Responsibility (OBR) will publish its economic and fiscal outlook. The provisional Local Government Finance Settlement for 2015/16 is expected to be published in the week commencing 15<sup>th</sup> December 2014. However there are not expected to be significant changes from the two year funding totals that were announced in February 2014.
- 3.5 Council tax freeze grant funding has been announced for 2015/16 equivalent to a 1% increase in council tax for those councils who freeze their council tax in 2015/16. It is unclear whether any freeze grant funding will continue beyond 2015/16. It was also planned that council tax could not be increased by more than 2% without securing confirmation from a local referendum. Full Council on 26<sup>th</sup> February 2015 will determine both the budget and council tax for 2015/16 and a range of savings requirements based on different council tax propositions is set out subsequently including for a Freeze budget.
- 3.6 In July 2014 we reported to this committee the latest position in relation to other grants, for example the Education Services Grant. There have been no further updates since then and therefore no changes to our planning assumptions but this will be updated when the council receives the Local Government Finance Settlement.

### **Latest Position 2014/15**

- 3.7 The Month 7 Targeted Budget Management (TBM) report elsewhere on the agenda shows a projected overspending of £4.052m on council controlled budgets and projected overspending of £0.316m on the council's share of NHS controlled s75 services giving a total overspend of £4.368m. In addition there is a further £1.890m of as yet unallocated risk provision that could be used to mitigate against this overspend. The overall overspend shows some improvement since Month 5 as presented to the Committee in October. The mitigating actions to reduce the overspend further are included in the TBM report.
- 3.8 Resources need to be set aside to cover this overspend to avoid impacting on the 2015/16 position and Table 1 in the reserves section, shows what impact this may have. Preliminary consideration of the impact of the in-year overspend on the service pressures requirements for 2015/16 and the deliverability of the savings proposals has been undertaken, however this will need further review at Month 9 when the final budget proposals are put forward for decision.

### **Reserves Position**

- 3.9 The working balance needs to be maintained at £9m over the next 3 years of the Medium Term Financial Strategy. Determining the appropriate levels of working balance requires a professional judgement based on local circumstances



including the overall budget size, risks, robustness of budget estimates, major initiatives being undertaken, budget assumptions, levels of other earmarked reserves and provisions, and the council's track record in budget management. The consequences of not keeping a minimum prudent level of balances can be serious. In the event of a major problem or a series of events, the council would run a serious risk of a deficit or of being forced to cut spending during the year in a damaging and arbitrary way. The assumptions and risks will be formally reviewed in February 2015 as part of the final budget proposals.

- 3.10 The current working balance in year is, technically, below the minimum level. This is due to a timing issue in relation to the re-payment of £3.97m safety net grant for 2013/14 and the way the funding for Local Authorities interacts differently between the Collection Fund and the General Fund. This will be adjusted on 1<sup>st</sup> April 2015. The council also has a significant sum outstanding from its former cash collection contractors CCI which was being repaid gradually but payments have very recently stopped, which remains the position. The contract was terminated earlier this year because of performance breaches and this matter has been reported to the Audit & Standards Committee. At this stage it is not possible to form a view on the likely collectability of that money, but specialist external advice is being received to support the council in recovering the cash but it could have a significant impact on the council's overall reserves position.
- 3.11 The following table shows the projected general reserves position to 31<sup>st</sup> March 2015 assuming spending is in line with the latest projections for 2014/15 shown in the TBM Month 7 report. The table includes the potential release of specific reserves to support the 2015/16 budget with allocations identified in paragraph 3.12.

<b>Table 1 - General Reserves</b>	<b>2014/15</b>
	<b>£'000</b>
<b>Unallocated general reserves</b>	<b>0</b>
Estimated Business Rates Retention Collection Fund surplus from 2013/14 outturn	1,590
Estimated refund of Revenue Support Grant in 2015/16 to reflect the top slice for New Homes Bonus funding in the national grant settlement was overestimated by the Government	400
<b>Total Resources</b>	<b>1,990</b>
TBM Month 7 forecast overspend (incl. share of NHS S75 services)	-4,368
Potential use of unallocated 2014/15 risk provisions to mitigate the TBM Month 7 overspend	1,890
Estimated one off costs of holding a Referendum vote*	-150
Fund part year effect of 2015/16 savings identified to date for the Referendum Budget in Appendix 2	-1,711
Fund part year effect of 2015/16 additional budget savings identified to date in Appendix 3	-318
Fund part year effect of further savings not yet identified relevant to all budget options	tbc
Estimated costs associated with implementing the Substitute	tbc

budget in the event of a Referendum no vote*	
One off resources to support ICT	-360
<b>Resources to be identified</b>	<b>tbc</b>

\* Only relevant to the Referendum and Substitute Budget options

3.12 The table above includes the following commitments : -

- The Month 7 forecast overspend of £4.368m will need to be financed from one off resources. Pressure to reduce this overspend will continue, in order to minimise this impact.
- The additional costs of holding a referendum based on cost sharing with local and general elections.
- Many of the savings included in Appendix 2 and 3 require one off resources of £2.029m because the lead-in times, primarily due to consultation requirements, mean that not all the proposed savings for 2015/16 can be delivered from 1<sup>st</sup> April 2015.
- There remains a budget gap under all options and any additional savings may also require part year effect funding. This will not be known until February.
- There remains a budget gap under all options and any additional savings may also require part year effect funding. This will not be known until February.
- The Substitute budget which would be implemented in the event of a no vote in a referendum requires additional one off resources. This includes the costs of re-billing council tax payers and the delayed implementation of the additional savings. This will be estimated in the February report to Policy & Resources Committee when there is more complete information about the savings package.
- One off resources for ICT relate to existing contractual commitments as we transition to new sourcing arrangements for a number of services including data centres.

3.13 A full review of reserves will be completed and the outcome of the review will be reflected in the February budget report along with any changes to the TBM position at Month 9.

### **Fees and Charges**

3.14 As agreed by this committee in July the budget assumes a 2% increase in fees and charges with the exception of parking charges where the assumption is 0%. Any proposals to increase charges over and above those assumptions will therefore contribute to closing the budget gap. Charges have been or are planned to be agreed by the relevant service committee as follows:



<b>Table 2</b>		
<b>Fees &amp; Charges Area</b>	<b>Meeting</b>	<b>Date</b>
City Services	Policy & Resources Committee	16/10/2014
Licensing and Enforcement	Licensing Committee	20/11/2014
Children & Young People	Children and Young People Committee	12/1/2015
Private Sector Housing – HMO Licensing (Mandatory licences set January 2011 for 5 years. Additional Licences set June 2012 for 5 years.)	Housing Committee	14/1/2015
Housing Revenue Account	Housing Committee	14/1/2015
Highways	Environment, Transport & Sustainability Committee	20/1/2015
Environmental Health, Trading Standards, Planning and City Parks	Environment, Transport & Sustainability Committee	20/1/2015
Royal Pavilion and Museums	Economic Development & Culture Committee	23/1/2015
Venues	Economic Development & Culture Committee	23/1/2015
Libraries	Economic Development & Culture Committee	23/1/2015
Seafront and Outdoor Events	Economic Development & Culture Committee	23/1/2015
Adult Social Care Non-residential care services	Health & Wellbeing Board	12/2/2015

- 3.15 A review of the council's approach to fees and charges forms part of the Value for Money Programme. The council's Corporate Fees & Charges Policy requires that all fees and charges are reviewed at least annually and should normally be increased by either: the standard rate of inflation; statutory increases; or actual increases in the costs of providing the service as applicable. An overarching equalities impact assessment of the cumulative impact of changes to fees and charges will be included with the Budget papers to this committee in February when all fees and charges will have been set.

### **Cost and Income Pressures**

- 3.16 The budget estimates have been reviewed for the most significant cost pressures faced by services since July and the current trends on the council's corporate critical budgets. It is proposed to allocate the following funding in order to ensure a balanced budget can be set:
- £2.0m for Adult Social Care particularly in relation to Learning Disability transitions, increased complexity of physical disabilities, deprivation of liberty assessments and mental health services. These funds will be supplemented by £0.8m additional agreed allocations from the Better Care Fund to protect social care and therefore reduce the savings requirement from this area;

- £2.1m for children's social care mainly relating to children's placements, inter-agency placement fees, and independent reviewing officers;
  - £1.15m for reductions in un-ringfenced grants particularly the reductions to Education Services Grant;
  - £0.8m for ICT services including the reinvestment of £0.345m from ICT contract savings;
  - £0.1m for electricity and gas price increases above inflation.
- 3.17 These allocations use in full the £6.15m set aside for income and cost pressures in the budget planning model. However there is significant work to do to ensure in particular that the Adult Social Care budget will be balanced at this level of resourcing and it is expected that further funding or further savings may be needed. There are also a number of smaller cost pressures which are assumed to be absorbed within service budgets, however the deliverability of this still needs to be checked. This could result in additional funding requirements and therefore additional savings being required over and above the current planning assumptions.

### **Budget Savings Requirement**

- 3.18 Revisions to the budget assumptions have resulted in changes to the savings targets for 2015/16. These include increased costs for the pay award and a lower RPI increase in business rates, off set by increased income from the New Homes Bonus and revised concessionary fares costs. The net result of these changes has been to increase the budget gap by £0.064m.
- 3.19 For information, the latest estimate of budget savings required in 2015/16 assuming a 5.9% council tax increase is £21.25m; a 2.0% council tax increase is £25.45m; and a council tax freeze is £26.36m (subject to confirmation of the freeze grant which will depend on the final council tax base).

### **Referendum Budget savings proposals**

- 3.20 The savings requirement for the Referendum Budget is £21.25m based on a 5.9% council tax increase. The overarching context is set out in the Medium Term Financial Strategy and this provides information on the direction of travel for 2016/17 and beyond including for example reviewing the options for the future model of delivery of Central Services and the joint plans for the Royal Pavilion and Dome estate and other cultural provision in the city.
- 3.21 Key components of the specific savings proposals for 2015/16 are:
- The delivery of the Phase 4 Value for Money Programme which covers Adult Social Care and Children's Social Care as well as cross-cutting areas such as better procurement, our arrangements for transporting our clients, income management and the Workstyles programme. Progress against the expected savings for 2015/16 were reported to June Policy & Resources Committee, and are included in Appendix 4;
  - Re-commissioning of some services, including joining up our approach across Adults, Children's and Public Health where we have in some cases multiple small contracts or grant payments with similar providers. Examples include housing related support expenditure and substance misuse services.

- De-commissioning or reducing some services where they are not considered to be the most effective way of meeting the outcomes we are seeking for the city, given the budget context we are facing. Examples include bed based services for older people, sports development activity and some planned maintenance.
- Service redesign to ensure that our services are responsive to customer needs, and using business process improvement techniques to ensure efficiency and lower management costs of in-house services. Examples of service redesign include Cityclean and Parks, the fostering and adoption service and the Stop Smoking service.

3.22 As part of the budget package there will continue to be considerable investment in services, particularly early help and prevention and measures to support sustainable economic growth in the city. Again this is set out in more detail in the draft Corporate Plan and Medium Term Financial Strategy but examples include:

- expansion of our Stronger Families, Stronger Communities programme;
- a focus through the Better Care Fund on both the frail elderly and vulnerable homeless people;
- use of ring-fenced Public Health funding to build the intelligence capacity of the council and to support a number of existing council services such as the family nurse partnership and adult social care preventative services.

3.23 The total savings in Appendix 2 that are proposed to contribute to the Referendum Budget is £19.600m. The intention is that the remaining £1.651m (to total £21.251m) could include additional savings from commissioning and service reviews that are in progress but not yet complete including for example Learning Disability Services and Children's Disability Services and from making best use of the remaining flexibility within the Public Health grant.

### **Additional Budget savings Proposals**

Additional savings are required for a Substitute Budget, Threshold Budget or Freeze Budget. A further £4.041m of proposals is set out in Appendix 3 which build on and expand the Referendum Budget proposals.

3.24 The following table sets out in summary the budget gap.

<b>Table 3</b>	<b>Referendum Budget</b>	<b>Substitute/ Threshold Budget</b>	<b>Freeze Budget</b>
<b>Council Tax increase</b>	<b>5.90%</b>	<b>2%</b>	<b>0%</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Budget Gap	21,251	25,451	26,362
Referendum Proposals	-19,600	-19,600	-19,600
Additional Savings	0	-4,041	-4,041
<b>Remaining Gap</b>	<b>1,651</b>	<b>1,810</b>	<b>2,721</b>

- 3.25 It is important to note that all of these figures assume decisions are made by Full Council in December to change council tax discounts and exemptions (value £1.165m) and to increase the minimum contribution rate for the Council Tax Reduction scheme from 8.5% to 25% (value £1.724m). These matters are the subject of reports elsewhere on this agenda.
- 3.26 Options for additional savings continue to be developed in line with the draft Corporate Plan and Medium Term Financial Strategy intentions.

### **Staffing Implications**

- 3.27 At this stage in the budget process it is difficult to determine exactly how many staff may be affected by the proposals. A broad estimate is that in 2015/16, 200-250 posts (plus a number of posts in nurseries dependent on the outcome of the review) may be removed from the council's staffing structure as a result of the savings proposals set out in Appendix 2 and 3. However actual numbers will be dependent on the detailed options proposed and on the results of formal consultation where required. Some of these are already vacant and some will become vacant through normal turnover. It is planned to support staff at risk of redundancy through:
- Providing appropriate support to staff throughout the change process to enable them to maximise any opportunities available;
  - Reviewing our approach to outplacement support across the organisation to ensure staff are equipped with the skills necessary to move to new and different opportunities and models of delivery;
  - Controlling recruitment and ensuring there is a clear business case for any recruitment activity;
  - Looking for redeployment at a corporate level, and maximising the opportunities for movement within the organisation;
  - Limiting the use of temporary or agency resources through controls in relation to the agency booking process.
- 3.28 These measures will continue as we work with trades unions and colleagues on the detailed staffing implications.
- 3.29 We will look to reduce the impact of the proposals by offering voluntary severance to staff in service areas affected by budget proposals on a case by case basis, this will not be an open scheme across the entire workforce. This targeted approach to releasing staff in areas undergoing change is needed to support service redesign. Where there is a clear business case for voluntary severance and an individual is not in immediate receipt of their pension, an enhanced offer in line with the previous offer may be made. Each case will be subject to a business case signed off by the council's compensation panel.
- 3.30 As we redesign services through the budget process we will be reviewing our management structures to ensure decision making accountability is clear, and to identify areas where efficiencies can be made.

## **Housing Revenue Account (HRA) Budget estimates**

- 3.31 The Housing Revenue Account (HRA) is a ring-fenced account which covers the management and maintenance of council owned housing stock. A local authority's HRA must be in balance meaning that the authority must show in its financial planning that HRA income meets expenditure and that the HRA is consequently viable. In April 2012, the HRA became a 'self financing' account which means that the authority needs to ensure sufficient funds are available to meet the future management, repairs and investment needs of the stock. This has enabled the council to improve planning for management and investment decisions over the longer term. In developing a 30 year Business Plan it is essential the council balances the need to increase the rent with a programme to invest money for the benefit of tenants and also building new council homes.
- 3.32 Although the HRA is a ring-fenced account and is not therefore subject to funding reductions applicable to the council's General Fund, the HRA follows the principles of value for money and equally seeks to drive out inefficiencies and achieve cost economies wherever possible. This frees up more HRA resources to fund priority investments for tenants as well as increasing the resources available for the building of new social housing in the City. Benchmarking of both service quality and cost with comparator organisations is used extensively to identify opportunities for better efficiency and service delivery. Therefore the budget strategy reflects savings of £0.945m which include a number of efficiencies, additional income and the part year effect of future service redesign. The full year impact of service redesign will be fed into the 2016/17 budget setting process. Further benchmarking information will be available during December which will further inform service redesign and the savings strategy for the next three years.
- 3.33 Rents will be calculated in accordance with the recent government's rent guidance ( DCLG 'Guidance on rents for Social Housing' May 2014) which specifies a maximum increase of rent in any one year as being Consumer Price Index (CPI) inflation plus 1% for the next 10 years. Therefore, following this guidance rents will increase by 2.2% for 2015/16.
- 3.34 The HRA Budget proposals for 2015/16, including an update to the Medium Term Financial Strategy and the Capital Programme, will be reported separately to Housing Committee and Policy & Resources Committee in January and February 2015.

## **Capital Programme**

- 3.35 The assumptions for the capital programme for next year and, in estimate, over a 10 year period are included in the draft Medium Term Financial Strategy.
- 3.36 A detailed capital programme report will be presented to Policy & Resources Committee in February prioritising the limited capital resources available to the council given the risks associated with delivering the planned high level of capital receipts. The programme proposed will be a fully funded capital investment programme.

## Timetable

- 3.37 The Timetable for budget papers is given below in table 3. This timetable does not include detailed plans for ongoing consultation with stakeholders and this will be determined in conjunction with those involved.

<b>Table 3 - Remaining 2015/16 Budget Timetable</b>		
<b>Date</b>	<b>Meeting</b>	<b>Papers / Activities</b>
3 Dec 2014		Autumn Statement
8 Dec 2014	Scrutiny	Scrutiny panels begin
Late Dec 2014		Provisional Local Government Finance Settlement
14 Jan 2015	Housing Committee	Housing Revenue Account Budget Housing Revenue Account Capital
22 Jan 2015	Policy & Resources	Taxbase report and Business Rates retention forecast
12 Feb 2015	Policy & Resources	Month 9 Forecast of 2014/15 budget position General Fund Revenue 2015/16 Budget Housing Revenue Account Budget Housing Revenue Account Capital Programme Capital Programme
26 Feb 2015	Budget Council	

## 4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 The budget process allows all parties to engage in the scrutiny of budget proposals and put forward viable alternative budget and council tax proposals to Budget Council on 26<sup>th</sup> February 2015. Budget Council has the opportunity to debate the proposals put forward by the Committee at the same time as any viable alternative proposals.

## 5. COMMUNITY ENGAGEMENT AND CONSULTATION

- 5.1 The scale of the budget gap in 2015/16 and over the medium term to 2019/20 will require significant saving and cost reduction proposals that will have potentially significant implications for the design and delivery of many council services. This is likely to carry higher risks for the impact on service delivery than in recent times and requires effective consultation and engagement on not only service changes but financial planning over the medium term. For this reason the draft Corporate Plan and Medium Term Financial Strategy (MTFS) are being presented on this Policy & Resources Committee agenda in draft form alongside the detailed proposals for 2015/16 contained in this report. This will enable further scrutiny and consultation with a wide range of stakeholders leading up to approval of the final 2015/16 budget in February 2015 and the final Corporate Plan and MTFS in March 2015.
- 5.2 Engagement this year has focused on the more successful methods developed last year including:



- A Budget Questionnaire sent to 3,000 randomly selected households and also made available online via our consultation web portal;
- An online budget prioritisation tool available on our web site;
- Refreshing and publishing the 'Budget Animation' which shows how money is spent on services, where the money comes from and a summary of the financial challenges ahead.

The council has also widely publicised its 'Stop, Start, Change' budget discussion, inviting residents and stakeholders to give us their views and ideas on Twitter via **#BHBudget**.

- 5.3 The common themes emerging from the questionnaire and prioritisation tool are presented in Appendix 6 to this report "Summary Report: Budget Consultation". All the consultation and engagement feedback to date and over the coming weeks will be taken into account as the final budget proposals are developed. A further update of the feedback and results from the online budget prioritisation tool and online and paper surveys will be included in the February budget report.

Other consultation and engagement processes are as follows:

- 5.4 Key performance and comparative data covering the whole of the council's budget has been collated and reviewed by the cross-party Budget Review Group alongside the developing budget proposals. The intention was to provide members with a more rounded, contextual and comparative view of the whole budget to help prioritise expenditure and/or options for savings. Six sessions were held covering the key service blocks and the capital programme.
- 5.5 A number of scrutiny meetings have been set up in December and January following publication and consideration of this report. The first scrutiny panel is on 12<sup>th</sup> December 2014 and will focus on a small number of thematic areas taken from the draft proposals.
- 5.6 Various other events including meetings with the Older Peoples Council and a Youth Council event are planned and information is being shared with Strategic Partners and community groups to invite feedback.
- 5.7 Local Strategic Partners are acutely aware of the potential cumulative impact of funding pressures across public sector agencies on the city. The City Management Board, attended by all Local Strategic Partnership representatives, have therefore ensured that information is being shared across the sector to assess and mitigate impact wherever possible and develop joint actions where appropriate. Engagement with statutory partners will continue on an ongoing basis through the City Management Board and appropriate working groups to further share and understand the potential cumulative impact of budget proposals across the city as they take shape.
- 5.8 A business breakfast with key representatives of the business sector was held on 21<sup>st</sup> October 2014 at the Jubilee Library to share information and seek views. There is a further briefing planned with the Economic Partnership and a broader event for the business sector will be scheduled in January 2015 including the required formal consultation with business ratepayers. The focus is on city regeneration, economic growth and employment opportunities.

- 5.9 As last year, a significant number of staff roadshows have been delivered covering all service directorates across the council to ensure that key messages reach all staff. Further updates are being provided via monthly briefings from the Executive Leadership Team and via the council's intranet. Full formal consultation with Staff and Unions will be undertaken as normal including Departmental Consultative Group (DCG) meetings in early December 2014 followed by appropriate consultation with directly affected staff. At the roadshows staff were encouraged to join the Stop, Start, Change discussion via the council's internal discussion boards or Twitter.
- 5.10 Similarly, where appropriate or required by statute, specific consultation will be undertaken with residents and other people directly affected by proposed changes to service delivery.
- 5.11 Every effort has been made to maximise consultation and engagement, whilst minimising the cost, by using in-house resources wherever possible. Costs are expected to be well within the sum estimated in the Budget Update report to the July 2014 committee (£10,000), for which there is existing budget provision.

### **Schools**

- 5.12 There is a statutory requirement on the local authority to consult with the Schools Forum on certain financial aspects of the schools budget including formula changes and the associated impact on budget distribution. The Schools Forum is a public meeting whose membership is made up of schools representation from across all phases and on which the Education Funding Agency has optional observer status.
- 5.13 Information is provided throughout the year to meetings of the Schools Forum concerning the development and/or changes to elements of the schools budget and the schools formula, now principally based on a national formula. There is a Formula Working sub-group that works with Education & Inclusion and Finance colleagues to ensure involvement and engagement of schools representatives in looking at considerations and options as proposals are developed.
- 5.14 Annual budget shares will be presented to the 19<sup>th</sup> January 2015 meeting of the Schools Forum for consultation and in recent years the council's Executive Director of Finance & Resources has also attended this meeting and presented a report on the potential direct or indirect impacts of the council's General Fund budget proposals on schools.

### **Housing Revenue Account**

- 5.15 A budget communication will be sent to Tenant Representatives in December setting out budget proposals, rent levels and the capital investment strategy.

## **6. CONCLUSION**

- 6.1 The council is under a statutory duty to set its budget and council tax before 11<sup>th</sup> March each year. This report sets out the latest budget assumptions, process and timetable to meet the statutory duty.



## 7. FINANCIAL & OTHER IMPLICATIONS:

### Financial Implications:

- 7.1 These are contained within the main body of the report.

*Finance Officer Consulted: James Hengeveld*

*Date: 26/11/2014*

### Legal Implications:

- 7.2 Recommendation 2.5 – that the 2015/16 savings proposals be subject to further consultation and engagement – reflects the council's common law duty to consult interested parties, especially where the effect of those proposals is to withdraw or de-specify a service which those parties might reasonably have expected to continue at their current level.
- 7.3 All the other recommendations are for noting only.

*Lawyer Consulted: Oliver Dixon*

*Date: 24/11/14*

### Equalities Implications:

- 7.4 In Brighton & Hove City Council a budget Equality Impact Assessment (EIA) process has been used to identify the potential disproportionate impacts of proposals on groups/individuals covered by legislation (the 'protected characteristics' in the Equality Act 2010). Assessing the potential positive and negative impact of decisions on different equality groups is a key part of meeting the requirements of the Act, and demonstrating that we are doing so. EIAs are important for informing decision-making, increasing opportunities for positive benefits and reducing or removing negative impacts, specifically where they affect one or more groups disproportionately, and especially where they may be unlawful. In law, the potential impacts identified, and how far proposed actions mitigate them, must be given due regard within the budget-setting process.
- 7.5 All proposals with a potential equalities impact have had an EIA completed (included at Appendix 8), and this is cross-referenced within the savings proposals. The Communities, Equality and Third Sector Team have also completed an overarching cumulative impact assessment which is attached at Appendix 7. The documents are available online. Staffing EIAs will be completed alongside the formal consultation process on proposed staffing changes and feedback will be provided in the February report. A cumulative impact assessment on fees and charges will also be undertaken as the detailed proposals are presented to service committees.
- 7.6 When the budget proposals are made public, these EIAs will also be circulated widely to stakeholders. Feedback will be used by officers to revise the first drafts of EIAs into final versions which will be available to members and scrutiny as they consider the budget proposals. They will also be published on the council website.

### Sustainability Implications

- 7.7 A carbon budget has been set for 2015/16. This shows the level of spend on energy and the estimated carbon emissions across each carbon budget area and includes a planned 4% reduction in 2014/15 and again in 2015/16. This modest target will be challenging to meet on the basis of the current approach to carbon management.
- 7.8 Carbon budgets aim to provide the organisation with a framework of accountability for reducing carbon emissions from our buildings, street lights and fleet. They were first introduced in 2012/13 and supported by actions plans that set out how carbon budgets are to be achieved and these plans are reviewed and challenged once a year. The council spends around £8.5m each year heating and lighting its buildings, lighting our neighbourhoods and travelling around the city to deliver key services. With rising energy and fuel prices and the purchase of annual Carbon Reduction Commitment allowances, the business case for reducing carbon emissions is clear.
- 7.9 The council's 2013/14 Carbon Reduction Commitment footprint accounted for 22,915 tonnes of CO<sub>2</sub> from council buildings for which the council purchased £0.275m worth of CRC allowances at £12 per tonne. This was 627 tonnes less than in 2012/13. 2014/15 allowances will rise to £16.00 per tonne and the council purchased our requirements in advance for £15.60 per tonne.
- 7.10 Non half-hourly electricity prices increased by 15% at the beginning of April 2013, half-hourly electricity prices increased by 3.9% in October 2014 and gas prices reduced by 3.7%, both for the commencing year.
- 7.11 The council's carbon budget data update is detailed in Appendix 5 and profiles spend and CO<sub>2</sub> carbon footprint for 2013/14 across the council and sets out the targets for 2014/15 and 2015/16.

### Any Other Significant Implications:

### Risk and Opportunity Management Implications:

- 7.12 The budget proposals include a recurrent risk provision of £1m. This will need to be reviewed again in the light the Month 9 TBM position. The budget report to February Policy & Resources Committee will include the Chief Finance Officer's formal assessment of the robustness of estimates in the budget and the adequacy of reserves.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Budget Summary for 2015/16
2. Detailed savings proposals 2015/16 to support a Referendum Budget
3. Further savings proposals to support a Substitute Budget, Threshold Budget or Freeze Budget.
4. Value for Money Phase 4
5. Carbon Budget for 2015/16
6. Summary Report: Budget Consultation Survey
7. Cumulative Equality Impact Assessment

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

1. Appendix 8 - Budget Equality Impact Assessment Screening Documents (also available online)

### **Background Documents**

1. Budget files held within Financial Services
2. Consultation papers



# APPENDIX I

## BUDGET SUMMARY FOR 2015/16 – BASED ON A REFERENDUM BUDGET FOR A 5.9% COUNCIL TAX INCREASE

	2014/15 Revised Base £'000	Internal Transfers £'000	Reverse one-off allocations £'000	2014/15 Adjusted Base £'000	FYE of 2014/15 Savings	Inflation £'000	Service Pressures	Commitments and reinvestment £'000	VFM & Other Savings £'000	2015/16 Original Budget £'000	Increase over adjusted base £'000	Increase over adjusted base %
Adult Services	74,255	1,298	(6)	75,547	(727)	1,468	2,000	44	(6,040)	72,292	(3,255)	(4.31)
Public Health (General Fund)	3,700	(5)	-	3,695	(10)	45	-	14	(393)	3,351	(344)	(9.31)
Children's Services	55,830	16	-	55,846	-	859	2,100	101	(2,502)	56,404	558	1.00
Environment, Development & Housing	42,340	(1,264)	-	41,076	(181)	825	-	83	(3,923)	37,880	(3,196)	(7.78)
Assistant Chief Executive	16,399	36	(280)	16,155	(56)	128	-	42	(1,185)	15,084	(1,071)	(6.63)
Finance & Resources and Legal & Democratic	30,348	(294)	(100)	29,954	75	216	800	(648)	(2,109)	28,288	(1,666)	(5.56)
<b>Total Directorate Spending</b>	<b>222,872</b>	<b>(213)</b>	<b>(386)</b>	<b>222,273</b>	<b>(899)</b>	<b>3,541</b>	<b>4,900</b>	<b>(364)</b>	<b>(16,152)</b>	<b>213,299</b>	<b>(8,974)</b>	<b>(4.04)</b>
Concessionary Fares	10,615	-	-	10,615	-	212	-	-	-	10,827	212	2.00
Financing Costs	8,904	16	-	8,920	-	-	-	150	-	9,070	150	1.68
Corporate VFM Savings	(228)	236	-	8	(250)	(5)	-	-	-	(247)	(255)	-
Contingency and Risk Provisions	3,782	(39)	(800)	2,943	-	76	100	453	-	3,572	629	21.37
Unringfenced grants income	(16,661)	-	-	(16,661)	-	-	1,150	2,203	-	(13,308)	3,353	(20.12)
Levies to External Bodies	161	-	-	161	-	4	-	-	-	165	4	2.48
Other Corporate Budgets	(919)	-	-	(919)	-	(41)	-	249	-	(711)	208	(22.63)
BUDGET GAP	-	-	-	-	-	-	-	-	(1,651)	(1,651)	(1,651)	-
<b>NET REVENUE EXPENDITURE</b>	<b>228,526</b>	<b>-</b>	<b>(1,186)</b>	<b>227,340</b>	<b>(1,149)</b>	<b>3,787</b>	<b>6,150</b>	<b>2,691</b>	<b>(17,803)</b>	<b>221,016</b>	<b>(6,324)</b>	<b>(2.78)</b>
Contributions to/ from(-) reserves	(3,189)	-	1,186	(2,003)	-	-	-	674	(1,711)	(3,040)	(1,037)	51.77
<b>BUDGET REQUIREMENT</b>	<b>225,337</b>	<b>-</b>	<b>-</b>	<b>225,337</b>	<b>(1,149)</b>	<b>3,787</b>	<b>6,150</b>	<b>3,365</b>	<b>(19,514)</b>	<b>217,976</b>	<b>(7,361)</b>	<b>(3.27)</b>
<b>Funded by</b>												
Revenue Support Grant	63,442	-	-	63,442	-	-	-	-	-	45,453	(17,989)	(28.36)
Business Rates Local Share	51,581	-	-	51,581	-	-	-	-	-	55,738	4,157	8.06
Top Up Grant	1,611	-	-	1,611	-	-	-	-	-	1,649	38	2.36
Collection Fund surplus/(deficit)	1,887	-	-	1,887	-	-	-	-	-	-	(1,887)	(100.00)
Council Tax	106,816	-	-	106,816	-	-	-	-	1,737	115,136	8,320	7.79
<b>Total</b>	<b>225,337</b>	<b>-</b>	<b>-</b>	<b>225,337</b>	<b>(1,149)</b>	<b>3,787</b>	<b>6,150</b>	<b>3,365</b>	<b>1,737</b>	<b>217,976</b>	<b>(7,361)</b>	<b>(3.27)</b>

# BUDGET SUMMARY FOR 2015/16 – BASED ON 2% COUNCIL TAX INCREASE

	2014/15 Revised Base £'000	Internal Transfers £'000	Reverse one-off allocations £'000	2014/15 Adjusted Base £'000	FYE of 2014/15 Savings	Inflation £'000	Service Pressures	Commitments and reinvestment £'000	VFM & Other Savings £'000	2015/16 Original Budget £'000	Increase over adjusted base £'000	Increase over adjusted base %
Adult Services	74,255	1,298	(6)	75,547	(727)	1,468	2,000	44	(6,040)	72,292	(3,255)	(4.31)
Public Health (General Fund)	3,700	(5)	-	3,695	(10)	45	-	14	(421)	3,323	(372)	(10.07)
Children's Services	55,830	16	-	55,846	-	859	2,100	101	(3,872)	55,034	(812)	(1.45)
Environment, Development & Housing	42,340	(1,264)	-	41,076	(181)	825	-	83	(4,230)	37,573	(3,503)	(8.53)
Assistant Chief Executive	16,399	36	(280)	16,155	(56)	128	-	42	(1,355)	14,914	(1,241)	(7.68)
Finance & Resources and Legal & Democratic	30,348	(294)	(100)	29,954	75	216	800	(648)	(2,233)	28,164	(1,790)	(5.98)
<b>Total Directorate Spending</b>	<b>222,872</b>	<b>(213)</b>	<b>(386)</b>	<b>222,273</b>	<b>(899)</b>	<b>3,541</b>	<b>4,900</b>	<b>(364)</b>	<b>(18,151)</b>	<b>211,300</b>	<b>(10,973)</b>	<b>(4.94)</b>
Concessionary Fares	10,615	-	-	10,615	-	212	-	-	-	10,827	212	2.00
Financing Costs	8,904	16	-	8,920	-	-	-	150	-	9,070	150	1.68
Corporate VFM Savings	(228)	236	-	8	(250)	(5)	-	-	-	(247)	(255)	-
Contingency and Risk Provisions	3,782	(39)	(800)	2,943	-	76	100	453	-	3,572	629	21.37
Unringfenced grants income	(16,661)	-	-	(16,661)	-	-	1,150	2,203	-	(13,308)	3,353	(20.12)
Levies to External Bodies	161	-	-	161	-	4	-	-	-	165	4	2.48
Other Corporate Budgets	(919)	-	-	(919)	-	(41)	-	249	-	(711)	208	(22.63)
BUDGET GAP	-	-	-	-	-	-	-	-	(1,810)	(1,810)	-	-
<b>NET REVENUE EXPENDITURE</b>	<b>228,526</b>	<b>-</b>	<b>(1,186)</b>	<b>227,340</b>	<b>(1,149)</b>	<b>3,787</b>	<b>6,150</b>	<b>2,691</b>	<b>(19,961)</b>	<b>218,858</b>	<b>(8,482)</b>	<b>(3.73)</b>
Contributions to/ from(-) reserves	(3,189)	-	1,186	(2,003)	-	-	-	674	(2,029)	(3,358)	(1,355)	67.65
<b>BUDGET REQUIREMENT</b>	<b>225,337</b>	<b>-</b>	<b>-</b>	<b>225,337</b>	<b>(1,149)</b>	<b>3,787</b>	<b>6,150</b>	<b>3,365</b>	<b>(21,990)</b>	<b>215,500</b>	<b>(9,837)</b>	<b>(4.37)</b>
<b>Funded by</b>												
Revenue Support Grant	63,442	-	-	63,442	-	-	-	-	-	45,453	(17,989)	(28.36)
Business Rates Local Share	51,581	-	-	51,581	-	-	-	-	-	55,738	4,157	8.06
Top Up Grant	1,611	-	-	1,611	-	-	-	-	-	1,649	38	2.36
Collection Fund surplus/(deficit)	1,887	-	-	1,887	-	-	-	-	-	-	(1,887)	(100.00)
Council Tax	106,816	-	-	106,816	-	-	-	-	3,461	112,660	5,844	5.47
<b>Total</b>	<b>225,337</b>	<b>-</b>	<b>-</b>	<b>225,337</b>	<b>-</b>	<b>3,787</b>	<b>6,150</b>	<b>3,365</b>	<b>3,461</b>	<b>215,500</b>	<b>(9,837)</b>	<b>(4.37)</b>

# Savings Proposals 2015/16 to Support a Referendum Budget

## Appendix 2

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
<b>ADULT SERVICES</b>								
<b>Adults Assessment</b>								
Learning Disabilities (LD) - Residential. Community Care Services provided by the Independent Sector to meet assessed needs.	12,125	10,882	Target all out of city placements with a purpose of bringing people back into supported living in the City. Consider alternative models of care to include supported living. Ensure appropriate funding streams are in place (e.g. specialist placements or Clinical Commissioning Group contribution). Transitions - explore responsibility for funding over 18s and opportunities from joint commissioning. Review high cost placements including Supported Living (Vfm4). Also on third party spend negotiate rates linked to better use of technology.(Vfm4)	Commissioning	Reducing expenditure on Learning Disabilities to bring in line with other client groups. This in turn will deliver equality of levels of service across client groups.	1	1,250	1,250
Learning Disabilities (LD) - Home Care, Day Care & Direct Payments. Community Care Services provided by the Independent Sector to meet assessed needs.	11,858	11,179	Drive forward the personalisation agenda and increased use of Direct Payments and support service users to seek cost effective solutions to meet eligible needs. Review high cost placements & third party spend within main Home Care contract review. Use of Support Broker to deliver alternatives.	VFM Programme	Reducing expenditure on Learning Disabilities to bring in line with other client groups this in turn will deliver equality of levels of service across client groups. Driving forward personalisation within the context of reduced expenditure.	2	830	830
Older People- Residential/Nursing (includes Older People with Mental Health needs (OPMH)). Community Care Services provided by the Independent Sector to meet assessed needs.	21,911	10,286	Ensure effective review to reflect any change in needs. Impact of task force in identifying all appropriate funding sources. Review housing options. Identify links to Better Care (especially for Older People Nursing) and potential sources of funding. Impact of good results on delayed transfers of care - potential risk share agreement. Integrated model of working. Increased scrutiny of placements. Ensure not paying above set rates and reduce number of cost waivers. Consider moving people if weekly cost is too expensive compared to comparators.	VFM Programme	Continue to reduce the number of people going into residential/nursing care in line with Better Care. Focus on getting people back home.	3	1,000	1,000

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
Adults with Mental Health (MH) - Residential. Community Care Services provided by the Independent Sector to meet assessed needs.	4,025	3,087	Rigorous scrutiny of placements. Impact of task force in identifying all appropriate funding sources & learning from VFM4 review of high cost placements. Assume 5% saving through implementing the Resource Allocation System (RAS).	VFM Programme	Continue to reduce the number of people going into residential/nursing care in line with Better Care. Focus on getting people back home.	4	200	200
ALL COMMUNITY CARE - Across all client groups. Fees for services provided by the Independent Sector	59,904 (including lines above)	42,993 (including lines above)	Limit inflationary increases targeting key areas of under supply. Will need to monitor this area in light of the Care Act and Better Care.	Commissioning	Those assessed against eligibility criteria will still receive care. Location of services may vary. The impact of the Care Act on the market will be closely monitored as funding reform and impact of self funder rates affects market.	5	750	750
ICES (Integrated Community Equipment Services) - provided under joint S75 arrangement with Sussex Community Trust	647	647	Savings of 30% on equipment are expected through the change in procurement routes.	VFM Programme	A more efficient equipment service with no expected impact on service users. Improved Value for Money. Potential to meet increasing demand for service within current cost. In the longer term more equipment will be available for more people over 7 days a week.	Not required	100	100
<b>Adults Assessment Total</b>								<b>4,130</b>
<b>Adults Provider</b>								
Resource Centres Older People (Craven Vale, Knoll House, Ireland Lodge (MH), Wayfield Avenue (MH))	5,183	2,704	Review criteria for the bed services and reduce numbers of beds funded through Social Care.	Commissioning	Potential impact on joint service delivery and integration plans within the better care plan and short term services.	6	1,000	1,000
Home Care: (6 services including Independence at Home)	4,629	4,267	Review staffing structure. Review criteria for services. Potential to invest in the community rather than in beds. Commission independent sector. Change of culture and efficiencies through health and social care integration. Reduce service and agree funding with NHS.	Commissioning	Potential impact on joint service delivery and integration plans within the better care plan and short term services. Agree service specification and funding with NHS.	8	400	400
Able & Willing Supported Business	737	433	Review business plan and reduce subsidy from September 2015 as agreed by Budget Council February 2014. Reduce subsidy by a further £100k from September 2015 (£200k from April 2016).	Other Efficiency Gains	Not a statutory service. We believe this service has a significant role to play in delivering employment opportunities.	Not required	100	200
<b>Adults Provider Total</b>								<b>1,500</b>
<b>Commissioning &amp; Contracts</b>								
Commissioning & Contracts Staffing Budget	1,386	1,386	Review contract management and commissioning function and scope for joint arrangements. Opportunity for efficiencies through better alignment of functions. Focus on statutory functions, review monitoring arrangements in light of the Care Quality Commission (CQC) role.	Commissioning	More efficient commissioning and contracting. Clarity of roles between commissioning, contracts and procurement	11	130	130



Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
Commissioned Services	3,142	2,813	HIV contracts now funded by Public Health. City wide approach to prevention, and more efficient joint commissioning against outcomes. Procurement review of top 10 suppliers & use of different procurement methods to purchase services.	Commissioning	More efficient joint commissioning through improved procurement methods, use of the commissioning prospectus, and improved contract compliance arrangements.	Not required	280	280
<b>Commissioning &amp; Contracts Total</b>								
<b>ADULT SERVICES TOTAL</b>								
<b>ASSISTANT CHIEF EXECUTIVE</b>								
<b>Sport &amp; Leisure</b>								
Sports Facilities – development of sports facilities across the city, including the management of the council's contracts for sports centres, swimming pools and golf courses, and meeting the council's contractual responsibilities to provide facilities that meet statutory health and safety requirements. These facilities attract over 1.1 million visits per annum enabling residents to keep active on a regular basis to improve their health. Other council owned sports facilities are also managed in partnership with community groups e.g. Manor Road Gym with new partnership arrangements being developed for Portslade Sports Centre and Saltdean Lido.	1,350	1,172	Energy saving measures and the monitoring of the energy payment agreement with Freedom Leisure has reduced the risk of the council's potential liability for energy costs, enabling a saving to be achieved.	Other Efficiency Gains	No impact	Not required	50	50
Sports Development - activities that offer opportunities to participate and improve physical and mental health. Service outcomes include Active for Life programme, Healthwalks and provision of free swimming for young people for example.	645	474	Streamlining and refocussing of sports development promotional events and integrating with Public Health.	Other Efficiency Gains	Reduces and refocuses promotion of sport and physical activity opportunities that encourage healthy lifestyles	12	200	200
Seafrost Services - operation of the city's 13 km of Seafrost including implementation of the maintenance programme and daily management of the Seafrost to ensure a safe environment for residents, visitors and tenants. The Seafrost plays a major role in the city's visitor economy.	1,079	-934	(1) Increased income from ground rents for Beach Huts and rents from Chalets £5k; (2) Reduced expenditure required for provision of sea buoys £5k	Fees & Charges	None	Not required	10	10

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
Outdoor Events - enable the city's annual Event's Programme of over 300 events to take place in conjunction with event organisers and statutory bodies. Also plays a major role in the city's visitor economy and enhancing the sense of community for local residents.	244	-6	Increased income from events	Fees & Charges	None	Not required	10	10
<b>Sport &amp; Leisure Total</b>								
							<b>270</b>	<b>270</b>
<b>Communications</b>								
The communications team provide support across 800 council services, pro-actively promoting the work of the council and the identity of the organisation.	878	790	Savings as result of service redesign, deleting vacant post.	Other Efficiency Gains	none	Not required	25	25
<b>Communications Total</b>							<b>25</b>	<b>25</b>
<b>Corporate Policy &amp; Communities</b>								
Community & Third Sector Commission supports community resilience with residents in our most deprived neighbourhoods, modernisation of the third sector & improving the quality of engagement with key equality groups in the city specifically BME, disabled and LGBT residents.	638	574	£200k from Year 2 and 3 of the Communities and Third Sector Commission Prospectus (in partnership with the Clinical Commissioners Group and Public Health). In Year 2 (2015/16) the full year savings will be reduced by using £100k of reprofiled commissioning funds carried over from 2014/15. Full savings of 200k will come into effect in 2016/17 (Year 3). There is potential for recommissioning across a much wider service and funding area to mitigate the pressure through improved efficiencies.	Commissioning	Reductions in the Commission will reduce investment in the Third Sector (support and work around community development, empowerment and engagement. The full impact of the savings in 2015/16 will be mitigated through efficiencies in other funding streams. The establishment of a third sector commissioning prospectus will aim to minimise impacts.	15	175	200
Overview & Scrutiny (O&S) enables the authority to meet statutory scrutiny requirements. As part of the council's decision making processes it a) checks & reviews policy b) monitors performance c) holds the council, its partners & external agencies to account. The service also supports the Older People's Council (OPC), Tenant Scrutiny & the Health & Wellbeing Board.	220	213	Deletion of the service and deliver a minimum function that meets statutory requirements. Dissolving the Older People's Council and replacing this with an Older People's consultative forum. Development of a basic scrutiny function.	Other Efficiency Gains	Work will be required to ensure the authority is able to meet its statutory responsibilities as they relate to scrutiny. Work undertaken by O&S for vulnerable/disadvantaged groups and key strategic issues (e.g. Trans, Sea Front, Bullying, Autism) will, where possible, need to be addressed by other teams in the council. By ensuring the OPC is replaced with a new Consultative Forum impacts on older people should be minimised.	16a & 16b	181	181
A small corporate research team that manages Community Insight and our data, research and consultation information resources (receives 500 enquiries a month), the consultation portal, advises on consultation standards, coordinates census work and directly delivers numerous corporate critical surveys.	116	116	Integrate intelligence function with Public Health enabling deletion of 0.5 of vacant post.	Other Efficiency Gains	None	Not required	25	25

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
Senior Managers Support. This is made up of two budget elements i) the Chief Executive and Assistant Chief Executive and ii) the shared/ pooled administrative support for senior officers, the Administration and the Lord Lieutenantcy.	643	622	Service review to explore how further efficiencies can be achieved through pooled working and service modernisation.	Other Efficiency Gains	None	Not required	30	30
Civic Mayor's Office - Supports the delivery of the Mayorality which includes over 700 civic engagements each year.	122	122	Service redesign reducing the Mayorality to basic functions including removing staffing support. No administrative support for organising events such as remembrance.	Other Efficiency Gains	Negligible	17	81	102
<b>Corporate Policy &amp; Communities Total</b>								<b>538</b>
<b>Royal Pavilion, Arts &amp; Museums</b>								
Management of 5 sites open to public, 8 other sites of historical importance, off site store. Promotes, manages and develops the council's historic houses and museums, including the care, display and preservation of all buildings, assets and collections. Provides high quality and relevant cultural, interpretation and learning services for all of the city's communities as well as national and international visitors. It has a major regional development role and national leadership role through its partnership with Arts Council England. Arts strategic development of arts and cultural policy for city; delivery of advice for the sector and arts projects.	6,607	1,715	Charging at £5 per head for non-residents at Brighton Museum. A business plan to be developed to demonstrate that investment required to put this scheme in place is justified and will achieve a saving in the longer term. Assume in place from June 2015.	Fees & Charges	Impact on visitor figures in 2013-14 these were: 338,477. Anticipate these would drop by 50-75%. There will be costs in collecting income and processing	18	150	200
			Savings from restructure	Other Efficiency Gains	Potential negative impact on role in supporting cultural sector	Not required	20	20
<b>Royal Pavilion, Arts &amp; Museums Total</b>								<b>220</b>
<b>Tourism &amp; Venues</b>								
Venues - Brighton Centre	2,371	-146	Set Fees & Charges above 2%. Targeting private hiring's and recharges. Install motion sensors in toilets and meeting rooms to create savings on electricity costs Reduction of spend on building infrastructure.	Fees & Charges Other Efficiency Gains	None None	Not required Not required	5 5	5
				Other Efficiency Gains	None	Not required	30	30

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
Tourism Services - Tourism provides destination marketing activity using press and media, online through the website and social media. It provides services to visitors including accommodation bookings, enquiry handling, maps and works with stakeholders to improve the destination experience. The service bids for major conferences and events for the city and delivers these with partners.	844	504	Establish 'Love Brighton' Tourism brand with licensing Commercialisation of Visit Brighton website Full review of all budgets.	Commissioning Commissioning Other Efficiency Gains	None None None	Not required Not required Not required	5 10 25	5 10 25
<b>Tourism &amp; Venues Total</b>								
							<b>80</b>	<b>80</b>
<b>Libraries</b>								
OVERALL SERVICE Libraries provide a comprehensive statutory service to all those who live, work or study in the city by offering unbiased access to a wide range of books, information and knowledge. Jubilee Library is at the heart of the network which includes 12 community libraries, Hove Library, Equal Access Services, Home Delivery Service and Rare Books and Special Collections. Libraries provide essential IT access for the public to deliver library and other community services. Library services are available 24/7 through our website.	5,742	5,295	Income Generation - Establish new charging framework Operating Model - Some efficiencies through the review of operating model, main impact in future years Contract arrangements - Identified efficiencies within contract arrangements	Fees & Charges Other Efficiency Gains Other Efficiency Gains	Public are being consulted Not expected in first year	19 Not required Not required	43 15 90	43 15 90
<b>Libraries Total</b>							<b>148</b>	<b>148</b>
<b>ASSISTANT CHIEF EXECUTIVE TOTAL</b>							<b>1,185</b>	<b>1,281</b>

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
<b>CHILDREN'S SERVICES</b>								
<b>Stronger Families, Youth &amp; Communities</b>								
Youth Service - Integrated support service for children aged 13-19 plus Youth Participation and Youth Employability services	2,073	1,915	£70k saving will be achieved by overall reductions in staffing within the service (equivalent to 3fte posts). Premises usage is under review with a view to diversification across Children's Services/third sector providers and to explore the use of Children's Centres for delivery of services. Savings of £73k against the Youth Employability Service will be achieved by deleting 2.0 full time vacancies from the establishment and via ongoing efficiencies on non staffing lines. Reducing the £400k commissioned contract for the delivery of universal Youth Work with community and voluntary sector youth work organisations by £50k. Provision is currently delivered by 8 organisations forming the Brighton & Hove Youth Collective led by Impact Initiatives.	Commissioning	Targeting remaining resources on those most in need supports the children's service Early Help Strategy and the priorities of the Corporate Plan. The Youth work team will have increased flexibility to adapt delivery and interventions to who, where and when it will be most effective. Reduction in youth work capacity will reduce opportunities for children, young people and their families to participate in some community based activities currently free or low cost at the point of delivery. Families can access other activities provided by the council, voluntary sector or commercial providers. Some of those activities may incur a charge which will put financial pressure on families on low incomes. Impact of the changes to Youth Employability Service will be minimal. Via increased use of social media platforms, a reconfiguration of delivery will be initiated to ensure that there is minimal disruption.	21	193	193
Early Years Family Nurse Partnership - national evidence based programme to support teenage parents.	240	240	Public Health have agreed to take over funding for the Family Nurse Partnership as it forms part of the Healthy Child Programme for children under 5.	Other Efficiency Gains	Already achieved	Not required	240	240
Early Years - Family Information Service. Now part of the Early Help Hub and provides information and advice on early help for parents, check eligibility for two year old funding and information on early education and childcare for parents.	227	227	Family Information Service transfer £29k to Dedicated Schools Grant (DSG) to reflect work on the free entitlement for 2, 3 and 4 year olds. Work has been refocused to support Early Help.	Other Efficiency Gains	None	Not required	29	29

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact		Full Year effect of 2015/16 savings £'000
Early Years - Childcare - support for childminders, out of school childcare, childcare workforce training, business support for childcare, inclusion funding for children under 2, management and administration of free entitlement for 3 and 4 year olds	660	632	Reduction in support for out of school childcare; no longer run Moulsecomb summer playscheme or fund reduced price places for Free School Meals (FSM) children in holidays; school age childcare and non-school based after school care. Retain reduced sustainability funding for voluntary out of school providers, withdrawal of all playwork qualification funding; reduction in early years qualification funding with priority for settings with funded 2 year olds and 'requires improvement judgements'; reduction in short course programme; increase in income generated (achieved by increasing course cost to £50 for a full day and £60 for adverts in the Job Vacancy List); reduced support for childminders and staffing restructure.	Other Efficiency Gains	Changes in support to out of school childcare reflect changes in Ofsted requirements which reduce requirements for qualifications. Removal of funding for holiday and after school provision will remove reduced price access for children on FSM. Unlikely that another provider will run a holiday scheme without a subsidy in Moulsecomb so no holiday places available for local children including those referred by social workers. Withdrawal of funding for playwork qualifications likely to reduce quality of provision in sector. Reduction in qualification and training funding may reduce quality of early years provision. Reduction in staffing for childminding will reduce support to childminders and may reduce quality of provision.	26	102	102
Other Services - Including Teenage pregnancy	259	116	Reduction in children's service funding of teenage pregnancy services following the transfer of responsibility to public health.	Other Efficiency Gains	Some integration with health will be required. There should be no reduction in front line staffing but there may be a reduction in management capacity. Remove the contribution to Youth Information Advice Counselling and Support service.	Not required	55	55
Early Intervention	193	193	Reduction of £25k contribution to Behaviour, Emotional and Social Difficulties (BESD) Partnership relating to the 16-19 agenda which is currently under review.	Other Efficiency Gains	Reduce the ability to support the Early Help services with the 16-19 agenda.	Not required	25	25
Early Intervention - Training Contribution to Local Safeguarding Children's Board (LSCB)	30	30	Remove £30k contribution to LSCB workforce development.	Other Efficiency Gains	The LSCB training team provides multi-disciplinary training across the city and its resources (people and funding) come from its constituent partners. By using wherever possible nil-cost internal trainers and training rooms the LSCB training group has been highly effective in managing external spending over recent years. We do not anticipate major changes to this delivery model which means that we can give up the budget with minimal impact on the quality and range of training provided.	Not required	30	30
Stronger Families, Stronger Communities	1,800	1,069	Reduce the council funding to the Intensive Team for Families by £137k, and the reduction of office costs within the parenting team (£15k)	Commissioning	Following the announcement of the continuing funding of the Troubled Families Programme, current service delivery should be maintained. The reduction of office costs within the parenting team will have minimal implications for service delivery.	Not required	152	152
<b>Stronger Families, Youth &amp; Communities Total</b>								<b>826</b>



Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
<b>Children's Health, Safeguarding &amp; Care</b>								
Fostering & Adoption - Includes payments to carers for fostered and adopted children, staffing teams assessing and supporting foster carers and potential adopters.	8,969	8,959	We have reduced staffing within fostering and adoption teams following the social work review. Deleting 0.57 FTE Practice Manager post, 0.79 FTE social workers. The remaining savings target is to be achieved following recommendations from the current fostering review.	Other Efficiency Gains	We are undertaking a comprehensive review of our fostering services and processes to establish challenge and options for future service provision/configuration. Through this process we aim to address our imbalance between our in house fostering provision and the more expensive independent foster agency (IFA) placements and provide a range of placements including those for complex needs. Once the review is completed additional financial savings should be achievable, but they are not quantifiable at present.	27	263	263
Social Work & Legal - Social work staffing teams, expenditure incurred under section 17 & 18 of the 1989 Children Act, including housing for homeless families and legal costs relating to assessment and court fees.	10,001	10,001	Reviewed service staffing against demand, budget and achieved savings.	Other Efficiency Gains	By reviewing responsibilities and applying a best practice principal across the service we have reallocated resources to areas of higher need and established savings. There is a risk as the demand is very volatile and difficult to predict.	Not required	42	42
Contact service	1,089	1,089	Restructure of Contact service. This service provides supervised contact for children and their families. The proposal is to reduce the number of buildings used from 3 to 2 and access other Council buildings. Reduce management structure and change job descriptions to cover management responsibilities more effectively.	Other Efficiency Gains	Impacts of savings are low. Economies of scale will be achieved across the management structure. Reduced number of contact centres from 3 to 2 by incorporating other children's services venues to allow more choice.	28	200	200
Youth Offending Services - Support and supervision to young people involved in the Criminal Justice System and preventative work for children and young people at risk of becoming involved in offending.	1,193	724	A reduction of 2 FTE vacant Youth Justice Workers combined with a restructured budget to enable increased admin capacity has generated the required savings in 2015-16.	Other Efficiency Gains	Throughout 2014/15 additional emphasis and resources have been targeted to support the development of improved report writing, analysis and intervention skills. This, combined with an increased in admin support for 2015/16 is enabling staff to work more effectively and therefore absorb the reduction of the two Youth Justice Worker posts.	Not required	60	60
<b>Children's Health, Safeguarding &amp; Care Total</b>							<b>565</b>	<b>565</b>

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
<b>Education &amp; Inclusion</b>								
Home to School Transport - Transport between home and school for children who live beyond the statutory walking distance. The appropriate school is the nearest maintained school to the child's home that is suitable to their age, educational needs and has a place available	2,313	2,313	Savings opportunities on this budget include: <ul style="list-style-type: none"> <li>Reducing the number of children with special educational needs (SEN) requiring taxi transport through the promotion of independent travel training</li> <li>Increased scrutiny of need for transport assistance through the Education, Health and Care Plan (EHCP) assessment process</li> <li>Refendering all transport contracts for home to school transport for new contracts commencing September 2015</li> <li>Reviewing the levels of support in the Post 16 Education Transport Policy</li> <li>Reviewing and reducing the number of children's services vehicles</li> </ul>	Commissioning	Potential impacts include: <ul style="list-style-type: none"> <li>More children with SEN develop independent travel skills</li> <li>Children with less confidence may attend school less well</li> <li>There may be more challenge from parents/carers in the EHCP assessment process and more tribunal cases</li> <li>Risk of refendering resulting in higher rather than lower costs because of e.g. insufficient competition in the market, rising fuel and wage costs</li> <li>Fewer post 16 students with SEN continuing in learning or training</li> </ul>	29	500	500
Portslade sports centre.	542	116	Removal of all council subsidy to the Portslade sports centre.	Other Efficiency Gains	In process of refendering contract	Not required	116	116
School Improvement - Primary, secondary and special advisors, primary and secondary national strategies, school training & development, governor support, family learning and schools data service.	1,220	720	Remove the remaining Council subsidy from Community Learning, with the service becoming fully dependent upon grant funding (currently circa. 80%). The Council delivers its Adult and Community Learning in partnership with other providers. On top of the grant provided for this provision the Council provides a subsidy to support management of the programme. We are proposing that a provider takes on responsibility for managing the grant and ensuring provision continues so the subsidy would no longer be needed.	Commissioning	Potential impacts include: <ul style="list-style-type: none"> <li>some reduction in learning opportunities choice for families who access Family Learning and for those who are disadvantaged or have low skills</li> <li>Transfer of Skills Funding Agency(SFA) grant to other providers because SFA not prepared to fully fund management and admin costs</li> <li>Loss of capacity to support three community hubs providing Neighbourhood Learning in Deprived Communities programmes</li> </ul>	30	44	67



Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
Music & Arts Study Support	1,168	136	The Music & Arts Service presently receives a subsidy from the Local Authority approx. 15% of total service funding which is focused on providing a subsidy scheme to support access to learning for children and young people (CYP) from families on low incomes. Through the further development of the music hub the savings are to be met from a combination of accessing new sources of funding, deletion of a post, remodelling and reduction of hours across administration and finance functions, relocation of Saturday Music Centre, new charging model for Music Centre activities, increase in fees above inflation and remodelling of provision.	Other Efficiency Gains	The service is leading on the development of a cultural hub for the city and is aiming to remodel with partners over the next 2 years. Year one impact of the proposal will stop dance development and we will aim to work with South East Dance (SED) on an exit strategy. Change of venue of activities could impact on numbers of CYP attending activities.	31	57	126
<b>Education &amp; Inclusion Total</b>								<b>809</b>
<b>SEN and Disability (SEND)</b>								
Agency Disability - Residential, fostering, boarding school and respite placements	1,639	1,639	Increased use and targeting of DSG to reduce the number and unit cost of disability residential placements	Commissioning	Potential re-allocation of DSG resources following a review of the use of the high needs block.	Not required	364	364
SEN team (including Educational Psychology Service and Children and Adolescent Mental Health Service)	810	746	Potential reduction in costs across the services	Other Efficiency Gains	All services have high demand particularly in the light of new SEN reforms and concerns amongst stakeholders about availability of support for mental health. However the SEN review is looking to make savings by greater efficiencies and an increased focus on early help/ preventative approaches to build greater resilience and skills in schools and other referrers to reduce demands on service time.	Not required	30	30
<b>SEN and Disability (SEND) Total</b>								<b>394</b>
<b>CHILDREN'S SERVICES TOTAL</b>								<b>2,594</b>

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
<b>ENVIRONMENT, DEVELOPMENT &amp; HOUSING</b>								
<b>City Clean and Parks</b>								
City Clean and Parks service	13,585	13,187	We have commenced a comprehensive service redesign across City Clean and Parks informed by customer feedback and designed to improve efficiency and integration across all aspects of these services. The savings levels will require some fundamental changes to how the service operates including further mechanisation of street cleaning as well as reduced service levels in some lower priority areas. Additional detail will be provided in the February budget papers as the service redesign process will be more developed at this point.	Commissioning	There will be some reductions in the scope of scale of CityClean services in particular street sweeping in suburban areas the model for supporting and maintaining parks and open spaces will need to change. An EIA will be produced for the February budget papers informed by the work on the service redesign.	Staffing EIA	600	800
Street Cleaning - The street cleaning service covers street cleaning, beach cleansing, graffiti removal, pavement jetting/washing and environmental enforcement. The service is provided from 0500 - 2200 365 days a year in the central area and 0600 - 1400 Mon - Fri (with some weekend cover) in the outlying areas of the city.	5,686	5,659	Efficiencies in supplies and savings	Other Efficiency Gains		Not required	31	31
Waste Collection - City Clean collects domestic waste from 124,000 households. The central area of town is collected using communal bins with collection up to 6 times per week. The remainder of the city is collected on a weekly basis using wheeled bins and black bags in areas such as Hanover.	2,268	2,268	Efficiencies in supplies and savings	Other Efficiency Gains		Not required	9	9
Waste Disposal - The council is in a joint Integrated Waste Management Contract with ESCC. The 30 year PFI contract with Veolia is for the building of waste treatment facilities and waste processing.	13,147	12,564	Efficiencies in supplies and savings	Other Efficiency Gains		Not required	10	10
Recycling - City Clean collects household recycling from the kerbside on a fortnightly collection. There are some areas of the town centre that have a weekly kerbside collections service. In addition there is a communal recycling service in the central town area.	2,333	2,333	Reduction in professional fees budget.  Efficiencies in supplies and savings	Other Efficiency Gains  Other Efficiency Gains	The service will not have a budget for ad hoc work e.g. consultancy support on specific proposals.	Not required  Not required	24  18	24  18

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
Parks & Open Spaces - The service manages and maintains the city's parks and open spaces including formal parks and gardens, amenity green spaces, playgrounds, allotment and areas of natural and semi natural open space. Services are provided to manage housing land, cemeteries for Bereavement Services and grounds maintenance for some schools. The Ranger Service leads on community engagement and co-ordinating volunteers.			Reduced contribution to core costs of Biosphere project	Other Efficiency Gains	Proposal will require partnership to secure 50% of core costs from other partners. There is a risk to the viability of the partnership if this funding is not secured.	Not required	20	20
			Efficiencies in supplies and savings	Other Efficiency Gains		Not required	76	76
City Parks Trees - The Arboriculture Team are responsible for the inspection and maintenance of trees in the city. There are an estimated 12,000 street trees. Some of the maintenance work is sub contracted out.	774	762	Cease planting of new and replacement trees.	Stop Service	BHCC is recognised for the quantity and quality of trees in the city. The presence of trees has a number of benefits in relation to visual impact, mitigating extreme weather. Street trees in particular have costs associated with damage to highway structure and street cleansing during the autumn. These would decrease over time as the number of trees declined. Stopping planting new trees will gradually erode the number of trees in the city which will have an impact on the street scene.	Not required	80	80
			Efficiencies in supplies and savings	Other Efficiency Gains		Not required	10	10
Fleet Section - Operates a fleet of vehicles to deliver frontline services such as the transportation of service users in Adult Services and Children's Services and waste collection, street cleaning and parks services. Maintenance of refuse, recycling and street cleansing vehicles is carried out in house at Hollingdean Depot. For other services these costs are contracted out.	2,094	2,040	A business plan is being developed to offer servicing, maintenance and MOTs to other council departments and on a commercial basis.	VFM Programme		Not required	50	50
			Efficiencies in supplies and savings	VFM Programme		Not required	21	21
Across City Infrastructure			Efficiencies made by not applying inflationary increase to supplies & services budgets.	Other Efficiency Gains		Not required	50	50
<b>City Clean and Parks Total</b>							<b>999</b>	<b>1,199</b>

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
<b>City Regeneration</b>								
Economic Development Team: works to create the right environment in which businesses can thrive; promotes and helps to generate commercial space; provides business advice signposting; programme manage delivery of the City Employment Skills plan, helping to sustain the City economy and deliver business rate income to the City Council. The team leads on the Greater Brighton City Deal and liaison with the Coast to Capital LEP; and works with a range of partners to secure investment to the city.	540	453	A service redesign will focus the team upon a programme management approach to delivering the City's and City Region's Economic Growth Programme	Other Efficiency Gains	It is anticipated that the service redesign will strengthen the ability of the service to deliver the Economic Growth Programme and secure new income through funding bids to the LEP and Government	Staffing EIA	35	35
Sustainability Team Programme manages delivery of the City's One Planet Living Sustainability Action Plan. Implementation of ISO 14001 Environmental Management System and ISO 2012 1 Sustainable Events programmes; Consultancy support internally to improve resource efficiency. Management and administration of City Sustainability Partnership; Sustainability and environmental policy development; and funding bids.	173	173	The Sustainability Team has been integrated with the International Team with effect from 1st November 2014 creating a saving in management costs, whilst also strengthening the team's ability to secure new funding through bids to the LEP, Government and EU.	Other Efficiency gains	Saving is not anticipated to impact upon the ability of the team to deliver corporate plan priorities and outcomes	Staffing EIA	40	40
<b>City Regeneration Total</b>							<b>75</b>	<b>75</b>
<b>Planning &amp; Building Control</b>								
Building Control - Offers a friendly flexible service which protects the consumer and supports the construction professional by ensuring technical standards are maintained during building works. A team of professionally qualified and experienced surveyors offer expertise in interpretation of building control regulations.	922	106	Building Control will pursue a business model aimed at achieving a 'break-even' position for 2015/16 as part of the corporate value for money programme. This includes a reduction in staff costs.	VFM Programme/ Cross Cutting	Delivering part of the saving will mean that work is re-distributed within the team.	Staffing EIA	20	20

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
Development Management - The service is statutory and is responsible for all decisions on planning applications in relation to the city and for managing the enforcement of breaches of planning where appropriate.  Working closely with Planning Strategy & Conservation, the Planning Projects team and departments across the council to ensure the strategic objectives in our adopted policies are delivered and to ensure a co-ordinated approach to securing the development the city needs on the sites where it matters most.	1,789	671	A business plan to support the implementation of pre-application charges to secure £100k fee income as part of the corporate value for money programme.  A reduction in staff costs.  A BPI review of the service will examine the scope for further cost savings. Participation in a corporate review of enforcement activity will examine the scope for further savings/ efficiencies	VFM Programme/ Cross Cutting	A successful pre-application service will improve the service for developers.  A BPI review is intended to drive forward service improvements and efficiencies and reduce costs. A reduction in staffing will impact on the team's ability to manage planning applications promptly and efficiently. The Enforcement review is intended to drive service improvements and efficiencies and reduce costs.	35	145	145
Planning Policy & Strategy - Provides a policy basis for planning decisions for the city and sub region. The team prepares the main policy documents for development in the city, the Local Plan (City Plan Pt 1); the joint Waste & Minerals plan (jointly with ESCC and the SDNPA); and a joint area action plan for Shoreham Harbour (joint with Adur DC & WSCC). The Heritage team provides policy and historic buildings and monuments advice to protect the outstanding heritage of the city.	854	842	A reduction in staffing costs and a re-alignment of team reporting lines within the new structure.	Other efficiency gains	Work to be absorbed into the new service structure. More emphasis on joint working with other agencies to support policy development.  Stop pro-active heritage/conservation activity.	Staffing EIA	45	45
Planning Projects - The service's remit is to pursue a positive planning agenda and attract development and associated investment into the city, facilitating major developments brought forward by the city council and the private sector, through planning briefs, masterplans & research studies. The service provides planning expertise to the client-side of the council on its major projects and provides advice to relevant council services (eg estates, education) in respect of council-owned sites. The team focuses on strategic and politically sensitive projects, such as Preston Barracks, Toad's Hole Valley & Brighton Marina.	283	226	A reduction in staffing costs.	Other Efficiency Gains	Reduced capacity to support major projects	Staffing EIA	20	20
<b>Planning &amp; Building Control Total</b>								<b>230</b>

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
<b>Transport</b>								
Parking - On Street On-street pay & display, pay-by-phone, permits, enforcement, penalty charge notices, penalty processing and appeals, customer services	6,788	-13,026	1) Reduce need to maintain, replace and collect cash from Pay & Display machines £225k 2) Additional permit and transient income £60k 3) Reduced cancellations and write-offs £35k 4) Development of enhanced balliff operations under new CEA legislation £5k 5) Enhanced investigation operations in partnership with East Sussex and Sussex Police £5k 6) Review of P&D and Permit Tariffs £571k	Other Efficiency Gains	1) In 2017, a new £1 coin introduced/require recalibration of 1,300 existing Pay & Display machines - cost over £600k. In addition, majority of city's 1,300 machines will be life expired and need replacing at potentially much higher cost. Alternative - phase out Pay & Display and switch to combination of Pay by Phone, PayPoint (cash payments in convenience stores) and on-street card payments. As part of two-year phased programme to remove all on-street cash accepting machines by 2017, 50% of machines could be removed in 2015/16. High risk public resistance - grounds of equalities as it becomes less easy to pay using cash. Some areas, where no nearby PayPoint outlet, there may be no practical cash option. 2) Introduction of new parking schemes meets with policy objectives to improve access for residents and those with greatest need. 3), 4) & 5) low negative service impact risk/potential improved equalities impact.	37	901	901
Parking - Off Street Off-street multi-storey car parks (eg The Lanes, London Road) and surface car parks (eg King Alfred, Carlton Hill)	2,689	-3,219	Review of Car Park tariffs including The Lanes & Trafalgar St. £192k	Fees & Charges	Re-balancing the levels of off-street and on-street parking tariffs support Outcome 2.2 creating a fair balance between the needs of pedestrians and cyclists, public transport users and motorists.	Not required	192	192
<b>Transport Total</b>								
<b>Housing General Fund</b>							<b>1,093</b>	<b>1,093</b>
Head of Housing and administrative support	170	170	Deletion of post and release of overachieved savings from voluntary severance scheme in previous financial years	Other Efficiency Gains	Work will be absorbed elsewhere within the team.	Staffing EIA	100	100
Homemove Maintaining the Housing Register including dealing with the enquiries it generates for councillors, MPs and applicants, advertising social housing ready to let, verifying the shortlists of bidders for those properties.	211	211	Currently the Registered Provider's are not charged for the cost of running the Joint Housing Register or shortlisting for their properties - we are exploring the option of charging Registered Provider's for running the Housing Register and shortlisting their properties to offset the staff costs of these functions pro rata.	Fees & Charges	There will be no impact on outcomes as we are seeking to replace the savings with funding from recharging the Registered Providers	Not required	140	140



Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
Housing Adaptations Team Enabling independent living through assessment and delivery of disabled housing adaptations and assistance across all tenures in the City. Discharge of Council statutory housing duties, including Community Care Act & Housing Grants, Construction and Regeneration Act requirements in relation to delivery of major housing adaptations. Brighton & Hove has a rising demand for housing adaptations in the City as people live longer with more complex needs. £2.16m spend on delivering 1,229 housing adaptations (Council & Private sector) in 2014/15 - including 436 major adaptations (over £1,000).	540	540	Further review of HRA funding proposed - including whether HRA can fund an Occupational Therapy(OT) resource given that dedicated OT hours are used to support HRA households to make informed choices about their housing options. This includes supporting people through the housing application and lettings process; advising on the suitability of the HRA properties; accompanying disabled HRA applicants to view offers of council properties.	Other Efficiency Gains	Impact on Strategic partner organisations- no impact on tenants or staff.	Not required	16	16
Housing Options/Statutory Homelessness Preventing homelessness by finding alternative housing for people who are about to become homeless and to whom the council would otherwise have a duty to provide accommodation - this includes some specialist options workers to understand the needs of specific client groups e.g. Learning Disabilities, Domestic Violence. In addition Options managers assist in finding accommodation for those people who present significant risk to the public if they aren't accommodated, and have a Prison Officer Accommodation Liaison Officer (POAL) who assists people leaving prison to find accommodation and hence reduce potential to re-offend. Assessing homeless applications from those households who do become homeless to determine what housing duty the Council has, and dealing with reviews of such decisions to minimise Court proceedings.	1,143	1,142	Removal of post that delivers housing advice to inmates of Lewes prison immediately pre-release (this is not a statutory obligation) the work will be picked up by other teams in housing options. Reduction in housing options officer post with work to be spread across remaining team.	Other Efficiency Gains	The statutory work undertaken by the POAL officer will be picked up by the remaining Options service. For those ex offenders who we don't owe a statutory housing duty to we will discuss whether there are alternative sources of funding to deliver this service or it will cease. This will likely impact on Community safety and rough sleeping. More self service of Housing options so that remaining staff resources can be focused on those more complex needs where households are becoming homeless.	38	59	59

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
Housing Strategy & Development Team Working with Strategic Housing Partnership develop, agree and review City-wide Housing Strategy and Local Housing Investment Plan for member approval. Enabling the development of new affordable homes, working with the Homes & Communities Agency (HCA), Registered Providers (RP's), potential investors in the City and sub-regional partners to maximise inward investment, increasing housing supply to meet identified local needs and priorities. Development & delivery of our Empty Property Strategy, including bringing empty private sector homes back into use & working with Housing Co-ops.	461	426	Increase in fees for Locata at natural review, from RP partners to reflect true cost of managing the IT system for the Sussex wide housing register and allocations system across all social housing (Choice Based Lettings)	Fees & Charges	None anticipated.	Not required	11	11
Temporary Accommodation Providing a range of emergency and longer term leased temporary accommodation to statutory homeless and also corporately on behalf of Adult Services (Mental health, Learning Disabilities, Physical Disabilities, HIV team) and Children's Services (young people and families). In addition the team manages Brighton & Hove Seaside Community Homes properties.	19,886	1,558	1) The launching of the Framework Agreements will assist to procure future accommodation and reduce the use of high cost emergency accommodation (£100k with FYE of £260k). 2) Amalgamation of income and credit control team (£20k), and 3) Realignment of staff time on specific projects (£50k)	Other Efficiency Gains	Efficiencies through the Framework for Temporary leased accommodation (as opposed to high cost spot purchase)	Not required	170	330
Travellers - provides support to the travelling community and carries out statutory functions to protect council assets.	639	628	Reduction in use of day time security guards at Horsdean enabled by use of Site and Support Officers on site during office hours. Plus increase in rental charges at Horsdean.	Other Efficiency Gains	Increase in rental charges at Horsdean may impact on some travellers - however this will be recoverable through housing benefit for people in financial hardship.	Not required	30	30
Housing Related ('Supporting People') - services are preventative services for vulnerable adults to maximise independent living. These represent externally commissioned services delivered by organisations supporting people with a range of support needs to include services for: homeless people, people with substance misuse and mental health support needs; young people; and people experiencing domestic violence. Housing Commissioning are working with commissioning partners in the city to better meet the health and social care needs of vulnerable people through improved joint and integrated commissioning.	7,248	7,248	Explore new service delivery models and explore further income growth. Our 2013 needs assessment analysis indicates high level of local needs/demands for housing-related support services.	Commissioning /Procurement		40	1,000	2,000
<b>Housing General Fund Total</b>							<b>1,526</b>	<b>2,686</b>
<b>ENVIRONMENT, DEVELOPMENT &amp; HOUSING - GENERAL FUND TOTAL</b>							<b>3,923</b>	<b>5,283</b>



Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
Housing Revenue Account								
Housing Management & Maintenance			A service redesign of Housing Management & Maintenance to deliver a high performing low cost service, focusing on ensuring our core maintenance and management service bench marks well with comparator authorities and other affordable housing providers in the city	Other Efficiency Gains	The implementation of the service redesign will commence in 2015/16. This is a part year effect with further savings in 2016/17.	Staffing EIA	251	251
Housing Support	281	281	50% of M7 post no longer working within HRA	Other Efficiency Gains		Staffing EIA	30	30
Head of Housing Management and support services	3,482	3,482	Reduce support services from General fund as services no longer required.	Other Efficiency Gains	None	No	33	33
Customer Services (housing office receptions, single line telephone contact and complaints)	4,216	-49,298	Increase charges for car parks and garages where demand is high.	Fees & Charges	This will bring in charges more in line with corporate charges elsewhere in the city.	EIA No. 41	45	45
			Reduction of 0.15FTE office management post	Other Efficiency Gains	None as already in place	No	4	4
			Reduction in general office budgets such as stationery, print & design and furniture	Other Efficiency Gains	Negligible impact currently	No	40	40
			Reduce materials budget within the estates service. Costs reducing due to good negotiation and contract management.	Other Efficiency Gains	No negative impact on outcomes	No	25	25
Tenancy Services - Estates	6,495	1,839	Cut budget to vacant post. This possible as a result of efficiencies in the service	Other Efficiency Gains	Need to ensure that the good performance can be maintained with less staff	No	27	27
Tenancy Services - Tenancy Management			Efficiency savings have been made on gas and electricity costs	Other Efficiency Gains	None	No	120	120
			This was agreed in budget setting last year that the new service charge would be introduced over 3 years to enable self funders to adjust to the charge.	Fees & Charges	None	No	111	111
			Reduction of cost of carelink line already achieved	Other Efficiency Gains	None	No	7	7
Property and Investment - All revenue repairs maintenance, service contracts and the management of the capital investment programme.	12,726		Commercial rents	Fees & Charges	May mean some higher rents for commercial properties.	EIA required	50	50
			Review the use of discretionary decorating and gardening schemes.	Other Efficiency Gains	A reduced number of tenants will be eligible for gardening or decorating of their homes. The service will be for those in priority need - over 75 and/or disabled tenants and in receipt of Housing Benefit.	EIA required	38	38
			Efficiencies on repairs and service contracts	Other Efficiency Gains	Should not impact on service.	No	164	164
Housing Revenue Account Total							945	945
ENVIRONMENT, DEVELOPMENT & HOUSING TOTAL							4,868	6,228

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
<b>FINANCE, RESOURCES &amp; LAW</b>								
<b>Internal Audit / Corporate Fraud / NAFN</b>								
Internal Audit - part in house service, part external service provided by Mazars under Croydon Audit Partnership framework	595	486	Part of the saving has been achieved through a reduction in resources at Principal Auditor level. The remainder will need to come from either further reductions in in-house staffing levels or in bought in audit days through our co-sourced contract with Mazars.	Other Efficiency Gains	The Audit Plan will need to be carefully prioritised to ensure appropriate coverage and prioritisation of highest risk areas	Staffing EIA (if required)	50	50
<b>Internal Audit / Corporate Fraud / NAFN Total</b>								
<b>Financial Services &amp; Procurement</b>								
Financial Services provides the full range of accountancy services including financial management and planning, corporate debt collection and recovery, taxation advice, supplier payments, insurance services, and HR and financial systems support. Incorporates the formal Chief Finance Officer (S151) role for BHCC and South Downs Park.	4,585	4,186	Staffing efficiencies across Management Accounting (Business Engagement) teams, debtors and creditors services and corporate financial services. These are predicated on improved process efficiency, continued self-service/self-sufficiency across the council, and changes (reductions) to the budget holder structure and number of managers supported. Various small income generation measures including charges for grant administration, banking charges, etc.	Other Efficiency Gains	There is a potential negative impact of reducing finance support in a period of increasing financial challenge. In particular, if management capacity reduces across the authority and manages are less able to focus on financial control and improving VFM.	Not required	163	163
				Fees & Charges		Not required	60	60
<b>Financial Services &amp; Procurement Total</b>								
<b>ICT</b>								
Schools ICT Service	184	11	Increase trading to more schools such as maintained schools, academies, free schools, nurseries and pre-schools as well as the community and voluntary sector.	Fees & Charges	Providing quality traded service to Schools will support educational outcomes for children within Brighton & Hove.	Not required	13	13
Traded service provided to all Brighton & Hove schools, maintained, academies and private (including pre-school sector).					Providing quality traded service to voluntary and community sector will enable improved information sharing opportunities			

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
Third Party Suppliers  These are the services which are supplied by commercial companies either as the direct supplier of a complete service - for example printing, or the indirect licensing, maintenance and support of systems, technologies and services for the authority.	1,339	1,298	Review and reduction of existing contracts is being used to offset some of the continuing increase in costs from demands of new services and existing £300k shortfall in contracts budget.  Identified savings include:  £71k reduction in Avaya maintenance £45k reduction in Sophos contract cost £154k reduction in Virgin Centrex costs (unachieved VFM telephony savings) £35k reduction in SCC SAM service £40k Internet feed termination	Commissioning /Procurement	These savings have no impact on the service in themselves although additional service pressure funding is assumed for other contracts where the budget is insufficient.	Not required	345	345
<b>ICT Total</b>								<b>358</b>
<b>Human Resources &amp; Organisational Development</b>								
Health and Safety - provides statutory compliance and assurance through providing access to competent advice, provision of training and audit functions. Working with city partners through the safety advisory group to ensure safe outcomes for the city	572	425	Savings achieved through reduction in staffing budget through change in team profile and increase in income generated. A service redesign will be completed to determine the right service design model to meet the organisations changing operating profile. This will ensure an evidence based risk / resourcing decision that enables the council to meet its statutory obligations.	Other Efficiency Gains	With appropriate risk management in place this should not have a significant impact on our effective approach to Health & Safety across the organisation.	Staffing EIA	25	25
Occupational Health/Wellbeing	249	-6	Reduction of 0.5fte post which will become vacant.	Other Efficiency Gains	May impact on number of wellbeing initiatives we can support in a year in the organisation which are done in conjunction with public health	Staffing EIA	20	20
HR Services - Provides comprehensive policy development, employee relations, advisory, payroll and administrative support to the council to ensure the statutory and legislative employment requirements are met and that our workforce duties are maintained.	2,320	1,136	Implementation of Talentlink to replace iGrasp and simplification of business processes.	Other Efficiency Gains	None, these are business process improvement savings.	Not required	34	34
<b>Human Resources &amp; Organisational Development Total</b>								<b>79</b>
<b>Property &amp; Design</b>								
Architecture and Design Team Delivery of an architectural consultancy service across the council including new builds & major extensions to schools to meet statutory school place requirements. Support for the Council's Major Projects.	1,344	-173	Increased fee income from professional staff through additional project work.	Fees & Charges	None. Increased professional fees through additional project work secured	Not required	15	15

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
Building Surveying and Maintenance Team Delivery of a building surveying and maintenance consultancy service across the council including delivery of the annual planned maintenance programme to schools, social care premises, farms, civic, operational and historic buildings.	Incl above	Incl above	Increased fee income from professional staff through additional project work.	Fees & Charges	None. Increased professional fees through additional project work secured	Not required	15	15
Workstyles Project management of the Workstyles modernisation programme.		Separate programme budget	Combined Phases 2 & 3 of the Workstyles programme to include release of leased buildings and property running costs.	VFM Programme / Cost Cutting Work	More efficient & flexible working arrangements enabling a high performing workforce Relocation of staff to Hove Town Hall & disposal of Kings House	45	170	170
Education Property Management - Management of the maintenance & capital investment in school buildings, statutory provision of school places & DfE returns. Services for Schools including ground maintenance services and Resource Futures. Over-seeing the schools PFI contract & works related to the academy schools.	407	303	Deletion of currently vacant administrative assistant post	Other Efficiency Gains	None. Duties shared between existing posts with corresponding increase in part time hours worked	Not required	20	20
Estates Management - Management of the council's commercial urban and agricultural non-operational investment property portfolio. Asset valuations, Landlord & Tenant Act advice & Major Projects support. Facilities and Building Services	989	-7,034	Increased income from the commercial urban portfolio	Fees & Charges	None. Fee income derived from efficient portfolio management	Not required	150	150
Management of the Council's main operational buildings under Corporate Landlord. Management of the property helpdesk / reactive maintenance service and council wide building cleaning, security and recycling & waste services through the use of corporate wide contracts. Provision of mechanical & electrical engineering services including statutory compliance term contract including gas safety & Legionella control / water hygiene.	1,498	948	£80k - Savings generated through the re-procurement of the corporate building cleaning contract. £55k - Service re-design of the courier service.	Commissioning / Procurement Other Efficiency Gains	Changes to cleaning specification and tighter specification Less postal rounds which will now be demand led	Not required	135	135

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
Corporate Landlord Budgets  Includes corporate wide budgets relating to reactive & planned maintenance, facilities management - corporate waste, cleaning & security contracts, utilities and business rates, leased-in building costs & related service charges. Statutory compliance contracts including mechanical & electrical & Legionella control.	10,900	10,627	£295k - Reductions to the corporate planned maintenance budget programme  £50k - Greater challenge and scrutiny of reactive repair requests to environment buildings  £50k - Challenge of helpdesk requests for social care client adjustments  £15k - Closure of additional surplus buildings and lease surrenders	Commissioning /Procurement  Commissioning /Procurement  Commissioning /Procurement  Other Efficiency Gains	No impact on statutory and Health & Safety related maintenance arrangements.  Reduction in discretionary maintenance services to minimum level - challenging reactive maintenance requests.  Possible impact on some areas - e.g. potential shut down of surplus or non essential buildings.  Likely impact on perceived service quality.  Increase in our required maintenance total through maintenance under-funding.	45	410	410
<b>Property &amp; Design Total</b>								
<b>City Services (Revenues &amp; Benefits)</b>								
Council Tax Running Expenses - Administration costs in relation to the collection of Council Tax ( does not include council tax income which is a corporate budget)	2,135	1,505	Council Tax Reduction discount (CTR) - Changes to second adult rebate level of savings and non dependency deductions. As per report to Policy & Resources Committee on 4 December 2014.	Other	The additional council tax generated has to be collected and this will take additional administrative effort within existing resources. This additional contact can take resources from the core work with full paying tax payers and can impact in year collection levels and possibly as a consequence ultimate collection levels.	46	222	222
			Class C 'empty and unfurnished' discount - Currently this discount costs £1m a year. The proposed saving takes into account a level of non collection, a £25k cost for an additional post to maximise collection and a residual amount of £25k for a discretionary fund for exceptional circumstances. Both the additional post and the discretionary fund are relevant to the separate budget saving proposal regarding Class D 'uninhabitable' discounts.	Fees & Charges	The additional council tax generated has to be collected. It is anticipated the change will generate a significant amount of queries that initially will be time consuming to manage. This additional contact can take resources from core work and could impact on in year and ultimate collection levels. This effect may be compounded if other savings proposals generating more council tax to collect are also agreed. Therefore an additional post has been costed into the proposal.	47	865	865
			Class D 'uninhabitable' discounts - Currently this discount costs £315k a year. The proposed saving takes into account a level of non collection. Extra resource and a discretionary fund for exceptional circumstances are being proposed in relation to Class C 'empty and unfurnished' discounts. Both the additional post and the discretionary fund are applicable to this proposal as well.	Fees & Charges	The additional council tax generated has to be collected. It is anticipated the change will generate a significant amount of queries that initially will be time consuming to manage. This additional contact can take resources from core work and could impact on in year and ultimate collection levels. This effect may be compounded if other savings proposals generating more council tax to collect are also agreed. Therefore an additional post has been costed into the proposal.	47	300	300

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact		Full Year effect of 2015/16 savings £'000
							Savings identified 2015/16 £'000	
			Single Person Discount (SPD) - Currently there are over 44,000 SPD awards granting a discount of 25%. While regular data matching reviews are undertaken a review is underway to determine whether further measures could be taken including a consideration to charge a £70 fine in the case of proven fraud. These fines are expected to be minimal in number and contribute to a deterrence rather than produce a new income stream. The deterrence factor will be further supported by incorporating government recommendations in respect of behavioural insight research to improve customer awareness of and adherence to the valid qualification for SPD.	Fees & Charges	It is estimated that the current data matching review should reduce the SPD budget by a sustainable amount of £350k pa.	Not required	350	350
			Digitally Improve the Customer Experience (DiCE) Project (Revenues) - Part of corporate programme to DiCE. From April 2015 customers will have increased ability to deal with the revenue office on-line with further facilities, such as text messaging reminders, to follow shortly thereafter. Corporate saving as part of VFM programme.	VFM Programme/ Cross Cutting	It is anticipated that the channel shift will reduce customer demand elsewhere and this, combined with the self serve element, will result in the need for less administrative resource.	incl in 50 below.	10	47
Council Tax Benefit Local Variations - specific budget for the expenditure impact of applying discretionary disregard for war widows and war pension awards	32	32	The expenditure on this discretion is now accounted for elsewhere in the tax base and this budget can be deleted. There will be no detriment to the current recipients of this discretion nor will there be an impact on any future awards.	Other Efficiency Gains	None	Not required	32	32
Housing Benefits / CTR administration costs. Housing benefit administration is a statutory function. Involves the award of benefits to approximately 20% of the households in the city. Naturally this tends to include a large percentage of elderly and vulnerable customers.	3,293	3,293	Reduction of Outreach Work - The saving relates to reducing administration costs in the service but may impact elsewhere. The proposal would cease the activity of one officer who dedicates their time to supporting extremely vulnerable customers, assessing their benefit entitlements, assisting in effectively claiming them and organising applications for and signposting other service provision that in terms of health and care. The saving would also minimise the contribution of other officers work with housing officers to deal with vulnerability issues, prevention of re-offending, limiting rough sleeping in respect of those being placed in temporary accommodation.	Other Efficiency Gains	The current outreach work does have value to Adult Social Care, Housing and Children and Schools and it is believed, in mitigation, that similar support can be provided by channelling referrals to the voluntary sector where the Council has provided significant investment to support financial advice and inclusion.	48	58	58



Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
Technical Delivery Team - Specialist team providing technical support of revenues and benefit systems, maintenance, development and improvements	348	348	Negotiation of reduced costs on specific revenues and benefits contracts  Implementation of completely online claiming system - Saving relates to paper and stationery costs. The change enforces a behavioural change to customers (similar to that anticipated for universal credit ). The service will have the significant challenge of reorganising to ensure the assisted digital facilities are provided and supported so vulnerable and elderly customers can access the service.	Commissioning / Procurement  Other Efficiency Gains	None  Other authorities have already made this leap into digital inclusion and the lessons they have learnt will be incorporated into its introduction here. Particular regard needs to be paid to ensure the process is still fully inclusive. The local discretionary social fund is already 100% on-line. We already provide assisted digital support for on-line claiming but this would have to be extended within the customer service centres and be provided at community libraries. The service model would be similar to the approach the DWP is taking.	Not required	30	30
Electronic Document Management Team (EDM) - Specific budget for the administration of EDM Revenues & Benefits. Transferred from life events as part of budget saving / rationalisation April 2014.	172	172	Redesign EDM function after Digital Customer Experience (DiCE) implementation and systems thinking review.	Other Efficiency Gains	Review cannot effectively start until October 2015 once DiCE and some other technical advancements are embedded	Not required	5	10
<b>City Services (Revenues &amp; Benefits) Total</b>								<b>1,882</b>
<b>City Services (Life Events)</b>								<b>1,924</b>
Bereavement Services: (Incorporating Crematorium, Cemeteries and City Mortuary)	1,401	-338	Increased income through member approval of increased fees and charges at Oct 2014 P&R Increase in income will ensure all running costs of services are covered, and benchmark info' from Local Authority competitors and other service providers allows scope for increases, whilst still remaining a value for money service, when compared.  A new realistic City Parks maintenance contract prioritising cemetery areas where citizens regularly visit graves, and reducing levels of maintenance in less used cemetery areas where there is no new burial space, and known less customer visits. This reduction in City Parks service will relieve a £130k pressure.	Fees & Charges  Other	Fees and charges increases will address significant gaps between the services offered by Brighton & Hove City Council Bereavement Services, when compared to our Local Authority neighbours.  This is a reduction in service, and will be a visible decrease in standards of "upkeep" in the cemeteries. (NB any savings will be shown against the City Parks Service papers).	EIA produced as part of P & R report	35	35
Customer Service Centres (incorporating Concessionary Travel)	671	643	Reduce security resources at the Brighton Bartholomew House Customer Service Centre (CSC). This would be a split saving between Revs & Bens, Housing and CSC.	Other Efficiency Gains	Reduced security levels at Brighton Bartholomew House Customer Service Centre. This needs to be risk assessed pending welfare reform announcements.	53	36	36

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
City Services managers and Customer Improvement.	768	285	Reduce the specialist training capacity to Revenues and Benefits. A small training team function will be deleted but with an additional support function incorporated into a new post in the Revenues and Benefits service.	Other Efficiency Gains	High risk in Revs and Bens and City Services around being able to prioritise support and keep up with significant welfare reform changes to legislation. This will result in a cumulative effect on risk to Benefits in particular, especially with universal credit pending. There is also a risk to training and support offered to the Electoral Services Team in a year where a combined General Election and Local Council Elections are due in May 2015.	Staffing EIA	51	51
Overview of City Services Division			Future proofed generic management roles to facilitate a flexible and resilient approach, strengthening the skills of the management roles to encompass changes to City Services.	Other Efficiency Gains	Management review to specifically ensure robust generic Job Descriptions at management level with potential for reducing management capacity in terms of numbers and driving change.	Staffing EIA	35	35
<b>City Services (Life Events) Total</b>								<b>157</b>
<b>City Services (Standards &amp; Complaints)</b>								
Standards and Complaints	236	236	Reduce the time spent on individual report production, subject to upfront investment in systems development	Other Efficiency Gains	There may be a reduction in the level of management information available in relation to complaints	Staffing EIA	0	16
			This proposal reduces posts within the team. There would need to be a service redesign to ensure that Stage 1 complaints are dealt with effectively within services, this will be informed by a recent business process improvement review. The responsibility for receiving complaints, dealing with enquiries, requests for assistance and report production will fall to services themselves.	Other Efficiency Gains	Report production will have to be supplied by staff within service delivery teams. Independent Complaints advice which is valued by customers and managers will no longer be available in most cases	54	57	57
<b>City Services (Standards &amp; Complaints) Total</b>								<b>73</b>
<b>Legal &amp; Democratic Services</b>								
Members' Allowances - this includes basic and Special Responsibility allowances, transport and other reimbursement of expenditure incurred by Members	1,061	1,061	The Independent Remuneration Panel recommendations for a revised scheme of basic and special responsibility allowances were agreed by full Council. This will mean a reduction in some special responsibility allowances and a rationalisation of others.	Other Efficiency Gains	The proposed changes to the scheme will provide a more sustainable arrangement having regard to the needs of members (including new members expected to join the Council in 2015) and the resources available to the organisation.	Not required	25	30
Political Assistants - there are 3 political assistants (one for each group) supporting Members by providing research, advice, administrative and clerical support	137	137	The proposal means the Council will cease to have Political Assistants, but some basic support being provided to Political Groups from existing Democratic Services	Other Efficiency Gains	There will be less politically-contextualised support for Members.	Not required	100	100
<b>Legal &amp; Democratic Services Total</b>								<b>125</b>
<b>FINANCE, RESOURCES &amp; LAW TOTAL</b>								<b>3,846</b>
<b>FINANCE, RESOURCES &amp; LAW TOTAL</b>								<b>3,909</b>



Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
PUBLIC HEALTH								
Public Health								
Smoking & Tobacco	741	0	Respecifying and retendering the service has achieved savings from October 2014. Decision taken not to provide a schools based stop smoking service has further reduced costs.	Commissioning	Improving VFM by the retendering of a Community Stop Smoking Service which will achieve 40% of its quits from targeted populations and a Hospital based Service.	EIA produced as part of re-tendering	35	35
Substance Misuse Services: commissioning drug and alcohol prevention and treatment including in patient beds.	6,858	31	Contract award agreed by P & R will result in savings; there is potential for an additional saving within the Injectable Opioid Treatment Service (IOT) (currently commissioned nationally).	Commissioning	New contract is not expected to have an impact on outcomes. Subject to negotiation with contractor, stopping Injectable Opioid Treatment Service (IOT) may result in more drug related crime in the city.	EIA produced as part of P & R report	400	400
Public Health Advice	532	0	Reduce overall service level and service redesign.	Other Efficiency Gains	Workload has been picked up within current establishment.	Not required	30	30
Physical Activity - a range of contracts aimed at increasing the activity levels of the least active adults and children	469	0	Exercise referral service redesign to improve VFM is underway and new contract will be awarded in 2015.	Commissioning	The revised contract for the referral service will enable it to be more efficient and should not involve a reduction in service to clients.	Not required	10	10
Public Health Total							475	475
Community Safety								
Community Safety - Working with the street community to reduce crime and Anti Social Behaviour (ASB), targeted operations to reduce drugs supply, co-ordinating multi agency, building community resilience to drugs	189	0	Incorporating commissioning of street outreach services, priority and prolific offenders and support for drugs interventions within recommissioning of substance misuse services for 2015 achieves a saving to community safety of £39k whilst retaining capacity. Restructuring of 2 existing posts (policy officer migrants and CS manager, community cohesion)and release of vacant post Restructuring of partnership community safety team (PCST)	Commissioning	Positive impact	Not Required	39	39
Communities against Drugs and Environment Improvement Team	68	68	Removed match funding of £68k. The end of Interreg funding for the Communities Against Drugs Team requires consideration of possible alignment with public health. Total funding required to sustain this service is £136k were alignment not possible. Reduced capacity of Environment Improvement Team may also be sought.	Other Efficiency Gains	Restructuring will sustain prioritised work although a reduction in capacity overall.	55	31	31
				Other Efficiency Gains	Restructuring will result in reduced front line case work and management capacity; services will need to be reprioritised with higher thresholds.	55	20	20
				Other Efficiency Gains	This service reduces the harm caused by the misuse of drugs in local communities and families. Stopping this service would have detrimental impact on the resilience of communities to crime and would potentially increase the degeneration of the physical environment.	55	68	68
Community Safety Total							158	158

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
<b>Public Protection</b>								
Environmental Health & Licensing - Protects and improves public health and the environment. Mandatory, statutory services, inspection and investigation to regulate food safety, occupational health and safety, statutory nuisance, air quality, contaminated land, local authority licensing functions, pest prevention and dog control.	2,583	1,655	1. Development of a self funded wildlife management team charging for pest control at competitive prices offering non lethal ethical options and an expert paid wildlife advice service. 2. Create a public health project team from a disbanded health and safety team. Reduce services across regulatory services including removal of the late night noise investigation service and retain a small contingency for noise investigation with the police if partnership opportunity can be identified.	Fees & Charges	Will improve environmental sustainability and health and wellbeing.	Not required	20	20
				Other Efficiency Gains	Will reduce service.	Not required	165	165
Trading Standards - A regulatory service, supporting the local economy, protecting consumers and businesses through a programme of inspections, investigations and advice to ensure a fair and safe trading environment in the city. Trading standards staff enforce a range of consumer protection legislation covering weights and measures, food standards, product safety, age restricted sales, animal health and fair trading, including consumer credit, trade marks and mis-described goods and services.	481	465	Service redesign to allow sustainability of statutory service in future.	Other Efficiency Gains	Will reduce service and priority will only be given to work where the team has a statutory duty to undertake regulation. With a high number of SME in the City contributing to the local economy, priority will be given to supporting these where possible but it is likely that the level of support previously provided will not be sustained.	Staffing EIA	50	50
<b>Public Protection Total</b>							<b>235</b>	<b>235</b>
<b>PUBLIC HEALTH TOTAL</b>							<b>868</b>	<b>868</b>
<b>GENERAL FUND TOTAL (Excludes £475,000 Public Health savings and HRA savings)</b>							<b>17,889</b>	<b>19,600</b>

# Further Savings 2015/16 to Support a Substitute Budget, Threshold Budget or Freeze Budget

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
<b>ASSISTANT CHIEF EXECUTIVE</b>								
<b>Corporate Policy &amp; Communities</b>								
Equality and Cohesion - Centralised team ensuring council meets legal duties including delivery of our Equality and Inclusion Policy & Action Plan, Equality Impact Assessments (incl Budget), Stonewall Index & diversity workers forums.	243	243	Deletion of budget for direct delivery of equalities events and move to an enabling role supporting others to access other funding for activities/events. Mainstreaming of diversity mentoring scheme into council's learning and development programme.	Other Efficiency Gains	A potential reduction in support for equality and diversity initiatives that benefit our staff and the city's communities.	13	20	20
BHCC Community Grants: Team delivering the annual and three year grant programmes supporting community and voluntary activity in the city. The team also provides a Grant Finder Service supporting Third Sector organisations in securing external funding.	1,806	1,806	£150k Reduction in funds for discretionary grants Please note at the 2014 Budget Council a saving of £165k was taken from the discretionary grants programme but deferred until 2015/16. These two savings total £315k and will take effect from April 2015.	Commissioning	The current 3 Year Grant programme is £1.3m and supports 69 organisations. The Annual Grants Programme is £0.4m and supports more than 140 local organisations. Many of these organisations support preventative services that can lower demand on statutory services. Reductions in their funding could impact on other services and council outcomes around empowerment, inclusion & tackling disadvantage.	14	150	150
<b>Corporate Policy &amp; Communities Total</b>							<b>170</b>	<b>170</b>
<b>ASSISTANT CHIEF EXECUTIVE TOTAL</b>							<b>170</b>	<b>170</b>
<b>CHILDREN'S SERVICES</b>								
<b>Stronger Families, Youth &amp; Communities</b>								
Youth Service - Integrated support service for children aged 13-19 plus Youth Participation and Youth Employability services	2,073	1,915	Ending the £400k commissioned contract for the delivery of universal Youth Work with community and voluntary sector youth work organisations. Provision is currently delivered by 8 organisations forming the Brighton & Hove Youth Collective led by Impact Initiatives.	Commissioning	Reduction in youth work capacity will reduce opportunities for children, young people and their families to participate in some community based activities currently free or low cost at the point of delivery. Families can access other activities provided by the council, voluntary sector or commercial providers. Some of those activities may incur a charge which will put financial pressure on families on low incomes.	21	350	350

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
Early Years (Early Help) - Children's Centres. City-wide service integrated with health visiting which aims to improve outcomes for children under 5. 12 designated Children's Centre's plus a further 9 linked sites. Statutory duties to ensure sufficient children's centres and improve early years outcomes. Presumption against closure and requirement to consult on changes /closures.	2,498	2,471	<p>Redesign the Children's Centre service taking into account a public consultation. The redesign will include a revised core offer in the context of the early help strategy to focus council resources on those families in the greatest need of support and to use interventions which have the best evidence for improving outcomes.</p> <p>Reduce universal groups, encourage community and family capacity by supporting volunteering, peer support and sign posting families to services in their communities.</p> <p>Reduce council funding for voluntary sector partners in line with the revised core offer and reduce funding for respite childcare funding.</p> <p>Reduce the number of designated CCs from 12 to 8. The following children's centres would no longer be designated as statutory: West Hove, Cornerstone, City View and Hollingbury and Patcham. These venues will continue to be used for health visiting. Explore whether other children and family services including those provided by voluntary organisations can be delivered from children's centres.</p> <p>To no longer specifically fund additional Speech and Language Therapy in SCT (£47k) to provide additional speech and language support in Children's Centres for children under 5. This provision to be considered as part of the overall contract with SCT to provide speech and language support to children across the city.</p>	Commissioning	Reduction in universal and changes to early help services for children under 5. Focussing services on families who need most early help and exploring integration with early help services for older children. School readiness will be supported by the extended offer of free childcare for 2 year olds in low income families and free early education for all 3 and 4 year olds.	23 & 24	779	779
Play Service	131	131	<p>We are unable to sustain the current level of General Fund expenditure on the Play Service. We will explore whether a more targeted service could be provided on our council estates and for that to be funded by HIRA resources if it is considered a priority. We will also explore the potential for Public Health to fund elements of the service. If this does not prove feasible or acceptable we will end the service as a reduced one is unlikely to make economic sense.</p>	Commissioning	Withdrawal by the council from the delivery play provision will reduce opportunities for children, young people and their families to participate in some community based activities currently free at the point of delivery. Families can access other activities provided by the council, voluntary sector or commercial providers. Some of those activities may incur a charge which will put financial pressure on families on low incomes. However, targeting council resources on those most in need supports the children's service Early Help Strategy and priorities in the Corporate Plan.	22	131	131

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
Early Years - Nurseries. Statutory duties to secure sufficient free early education for 4, 3 and low income 2 year olds. Statutory duty to secure sufficient childcare for working parents. Part of Children's Centre service so there is a requirement to consult.	1,621	608	Review and consult on options to remove the subsidy for Council run nurseries and Tarnerland Nursery School. This will include identifying in-house efficiencies where possible and in the longer term, considering alternative providers including schools, staff mutuals and the private and voluntary sector, no longer providing full day care and focussing on free early education for low income 2 year olds and 3 and 4 year old, reducing opening hours, increasing fees, changes to staffing and the potential for combining with other services. It is likely that different options will be developed for each nursery and that the implementation of changes across all of the nurseries may need to be staggered.	Other Efficiency Gains	The impact will depend on the options chosen. The review will consider the Council's priority to secure free childcare places for two year olds in low income families and the particular issues for each nursery. Any changes to nursery provision will have a significant impact on young children and their families. The best time to make changes to minimise impact is September when 4 year olds leave to start school. A change in provider would have a significant impact on the 150 staff employed by the Council. This number does not include staff of the nurseries are part of the children's centre service so there also needs to be a public consultation on any changes to services.	25	100	300
<b>Stronger Families, Youth &amp; Communities Total</b>								
<b>Education &amp; Inclusion</b>								
Music & Arts Study Support	1,168	136	Reducing subsidies for children and young people (CYP) of parents on low incomes from 100% to 80%.	Other Efficiency Gains	The reduction in subsidy for CYP in challenging circumstances/families on low incomes could impact on access to learning music for these CYP.	31	10	10
<b>Education &amp; Inclusion Total</b>								
<b>CHILDREN'S SERVICES TOTAL</b>								
<b>ENVIRONMENT, DEVELOPMENT &amp; HOUSING</b>								
<b>City Clean and Parks</b>								
Public Conveniences - The service provides 42 traditional public toilets across the city. The contract for cleaning, attending and opening and closing the site is run by Wettons. The contract is due for renewal in March 2017. Many of the sites require investment and are currently being assessed by Property & Design.	993	980	Reduce opening times of some sites, reduce cleansing frequency and close sites which are in close proximity to alternative locations.	Other Efficiency Gains	Toilet provision would be focussed on areas with high visitor numbers such as the seaford and destination parks. Closing toilets in more suburban areas would have a more significant impact on the elderly population and people with medical conditions which mean they need to access public toilets more frequently.	33	160	160
<b>City Clean and Parks Total</b>								
<b>1,360 1,560</b>								
<b>1,370 1,570</b>								



Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
<b>Transport</b>								
Public Transport - the team's primary function is to manage the council's supported bus network and general bus related measures which aim at increasing bus patronage in the city such as multi modal ticketing. They are also charged with managing the Quality Bus Partnership involving the 5 private bus operators. There is also a customer facing element including bus promotion and dealing with customer enquires.	1,367	1,196	Reduction of expenditure by early termination of 7 Supported Bus Contracts. This proposal does not affect in any way the provision of School Bus Contracts. The specific reductions are weekend and weekday evening services 21, 38A, Sunday and Public Holiday services 38A, 21A, winter Sunday and PH evening services 21B, 81A and weekday limited service 84. This requires a 12 month notice to be served under the Contract in December 2014 to achieve partial savings from December 2015. The Council currently supports 26 bus contracts, including school buses to various parts of the city that are not commercially viable. The four year contract with three operators expires in September 2016. In 2012 VfM2 options to reduce council spend on the supported bus network included terminating the entire network or reducing the number of supported routes. Options analysis and the associated equalities impact survey demonstrated a detrimental impact to the disadvantaged and the elderly. Therefore alongside reduction of overall expenditure, truncation of Route 52 was the only option taken forward. This generated resistance from the public, bus users and Opposition Members and 4 Committees, numerous petitions and deputations before approval was finally granted.	Commissioning/ Procurement	Will impact on Priorities - Tackling inequality and Creating a more sustainable city. Specific impacts will arise from loss of opportunity for residents and workers accessing the City for employment, leisure, business, education and access to the night time economy in the evenings and weekends. The cumulative impact of these service reductions may lead to other services becoming unviable and their further termination by the Bus Operators.	36	73	174
<b>Transport Total</b>								<b>174</b>

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
<b>Housing General Fund</b>								
Private Sector Housing Team Improving housing conditions in the private rented & owner occupied homes through renewal advice, assistance (1128 Requests for Assistance in 2013/14) and enforcement; Improving management and conditions in Houses in Multiple Occupations (HMO) through, enforcement and licensing (3019 HMOs currently subject to licensing across the City); Improving Home Energy Efficiency, improving thermal comfort and reducing fuel poverty and CO2 emissions through home energy efficiency measures.	650	197	Deletion of Sustainability Team	Other Efficiency Gains	Fewer energy efficiency initiatives	39	74	74
<b>Housing General Fund Total</b>								
<b>ENVIRONMENT, DEVELOPMENT &amp; HOUSING TOTAL</b>							<b>74</b>	<b>74</b>
<b>FINANCE, RESOURCES &amp; LAW</b>							<b>307</b>	<b>408</b>
<b>Human Resources &amp; Organisational Development</b>								
Workforce Development - The team provides the majority of learning and development interventions for council employed staff and the city's wider social care provider workforces (adult and children's services). The latter accounts for over half of the budget leaving only a small amount for the rest of the council.	1,419	1,405	Service redesign to improve VFM - Purchase of a new Learning Management System will release monies from other learning related licences e.g. Learningpool (learning) £19k Learning Resource Centre costs £2k	Commissioning/ Procurement and Other Efficiency Gains	None	Not required	50	50
<b>Human Resources &amp; Organisational Development Total</b>								
<b>City Services (Revenues &amp; Benefits)</b>							<b>50</b>	<b>50</b>
Council Tax Running Expenses - Administration costs in relation to the collection of Council Tax (does not include council tax income which is a corporate resource)	2,135	1,505	Council Tax Reduction (CTR) discount - Currently the CTR schemes means that any working age household will pay a minimum contribution of 8.5% towards their council tax bill. Consultation has started regarding a potential redesign that would up this percentage to 25% as well as some other scheme changes. The projected saving is adjusted to account for predicted collection levels.	Other	The additional council tax generated has to be collected and this will take additional administrative effort within existing resources. The current experience, following the introduction of CTR and the 8.5% payment requirement is of a lower collection return on CTR cases and a relatively high volume of customer contact for the value of tax being collected. This additional contact can take resources from the core work with full paying tax payers and can impact in year collection levels and possibly as a consequence ultimate collection levels.	46	1,724	1,724

Service	Gross Budget £'000	Net Budget £'000	Description of Saving Opportunity	Saving Type	Impact on Outcomes / Priorities	Equalities Impact	Savings identified 2015/16 £'000	Full Year effect of 2015/16 savings £'000
Housing Benefits / CTR administration costs. Housing benefit administration is a statutory function. Involves the award of benefits to approximately 20% of the households in the city. Naturally this tends to include a large percentage of elderly and vulnerable customers.	3,293	3,293	Reduction of Public Service Hours - To realise a saving it is estimated that the closure would be 20 -25% of current counter or phone opening. It would also mean inconsistent opening hours between services in the customer service centre	Other Efficiency Gains	The saving relates to managing demand more effectively but it does not in itself reduce it. Therefore there is an increased risk of poorer customer service and/or work backlogs and the latter can have financial impact in terms of housing benefit subsidy. Additional funding is expected in relation to the roll out of Universal Credit and the associated, in the short term at least, increase in public service demand. The level of this funding is currently unknown.	49	58	58
Business Rates Running Expenses - Administration costs in relation to the collection of Business Rates (does not include Business Rates income which is a corporate resource)	397	-168	No longer commit to local charitable and not for profit share relief scheme - Currently this is awarded as top up to 80% mandatory charitable rate relief and can be used for 100% relief on not for profit organisations with 49% of this cost falling on the authority. Currently 55 organisations receive the charitable relief top up with the average award being £1,502. Nine organisations are recognised as being not for profit and receive an average award of £5,393.	Other	The reduction in the number and or amount of these awards, particularly as some of the organisations involved may also be impacted by suggested grant reductions, will be a sensitive matter.	51	16	33
<b>City Services (Revenues &amp; Benefits) Total</b>								<b>1,798</b>
<b>FINANCE, RESOURCES &amp; LAW TOTAL</b>								<b>1,848</b>
<b>PUBLIC HEALTH</b>								
<b>Community Safety</b>								
Community Safety: Commissioning, co-ordination and delivery of core community safety and crime reduction services, including, domestic violence, violence against women and girls, Anti Social Behaviour (ASB) and hate incidents, preventing radicalisation, youth justice, physical crime prevention, substance misuse and public engagement relating to community safety.	1,385	1,245	Violence against women and girls commissioner extending responsibilities to include East Sussex; funding contribution of at least £10k. Reduction in the capacity of intelligence, analytical and strategic assessment functions.	Fees & Charges	Improved collaboration with police and pan-Sussex authorities.	55	10	10
				Other Efficiency Gains	Will result in reduced ability to accurately identify trends and effectively target resources.	Staffing EIA	18	18
<b>Community Safety Total</b>								<b>28</b>
<b>PUBLIC HEALTH TOTAL</b>								<b>28</b>
<b>GENERAL FUND TOTAL</b>								<b>3,723</b>
								<b>4,041</b>



## Value for Money Phase 4

- 1.1 The council's Value for Money (VfM) programme has been running for over 4 years and, as at the end of 2013/14, had achieved cumulative savings of approximately £56m, which has generated ongoing savings of approximately £24m per annum. A further savings target of £9.917m has been set for 2014/15 which, if achieved, would bring annual savings up to circa £34m. However pressures on Adults and Children's placement budgets mean that only £5.202m is currently forecast to be achieved as at Month 7. Over the years, the programme has targeted savings on specific services, where it has had most success, but it has also included more cross-cutting initiatives which have also achieved substantial savings.
- 1.2 The changing financial situation for local authorities and the significantly increased scale of the anticipated budget gap over coming years has led to a need to reconsider the current programme and the approach to VfM savings. The Medium Term Financial Strategy identifies a budget gap of £102m over a 4 to 5 year period. It is important to ensure that the contribution made to meeting that gap from VfM is maximised where possible, while also ensuring clarity about the size of the remaining budget gap that will need to be filled through more fundamental service prioritisation, re-design and commissioning and de-commissioning decisions.
- 1.3 To help review the VfM position, the council engaged consultants EY to undertake a 6-week, fast-paced review of the current programme to help identify opportunities and define the scope of a next phase of the programme. EY were also asked to develop a high level business case indicating the range of expected financial benefits and the costs of implementing change, as well as provide advice on structuring the programme and its governance to assure success. The outcome of that review was reported to the June 2014 Policy & Resources Committee setting out the potential VfM opportunities and 'enablers' that the council were recommended to pursue.
- 1.4 The general principle that was agreed is that VfM and modernising the council need to go hand-in-hand to maximise savings opportunities. The council's Corporate Plan therefore identifies key activities to support modernisation and the approach in future will be to ensure a much stronger link between the implementation and support for modernisation and the next phase of the VfM programme.

## Phase 4 VfM Opportunities and Enablers

- 1.5 The identified areas of focus do not preclude the council from working on many other fronts to achieve savings and efficiencies as evidenced by other savings proposals put forward. However, the VfM programme indicates those areas where investing additional resources and support could have the greatest return on investment and/or assist in managing future demands, particularly across social care. The VfM Phase 4 programme opportunities and 'enablers' are as follows:

VfM programme opportunities:

- Adult Social Care Modernisation
- Children's Services (Demand management) VFM
- Income & debt management
- Third party spend
- Client Transport
- Cultural Services
- Workstyles

Corporate 'enabling' opportunities for Modernising the Council

- Customer Access (Digital Services)
- People Plan & Culture Change
- Information Management & ICT Infrastructure
- Business Process Improvement (BPI)

1.6 All of the above opportunities were explained in detail in the report to the June 2014 Policy & Resources Committee and are summarised below. A further workstream focusing on Good Governance & Leadership has also been developed to support modernisation of the council as detailed in the draft Corporate Plan. The success of each VfM opportunity and each enabler is likely to depend on a combination of the following factors:

- Effectiveness of the leadership and governance of the Modernisation programme at all levels;
- Availability/funding of appropriate resources to support implementation;
- Demographic and other demand changes and trends;
- Interdependencies and impacts of other initiatives and programmes e.g. Better Care Fund, Partnership working;
- Other factors e.g. legislative changes, welfare reform impact, impact of managing the budget gap i.e. other savings decisions.

These are key risks that are identified and will be managed proactively within the governance framework of the Modernisation programme.

### **Implementing the Phase 4 VfM Programme and Approach**

1.7 Lead officers (Senior Responsible Officer's) have been assigned for each of the VfM opportunities and enablers together with project management support to help develop detailed project documents, business cases and project implementation plans. Finance and HR leads have also been assigned to each opportunity. The Programme Management Office, which provides project officer support to the programme, is keeping its services under regular review to ensure effective and flexible support to VfM programmes where it is most needed.

### **Resourcing the VFM Programme**

1.8 The potential resources for supporting the achievement of the programme and associated savings were also set out in the June 2014 report to Policy & Resources Committee. This indicated that substantial resources would be

required if the programme is to be effectively mobilised, supported and driven at pace given the immediacy of the financial challenges facing the authority.

- 1.9 The committee agreed that together with £0.350m already approved for 2014/15, the following resources would be committed to support Modernisation and VFM through 2014/15 and 2015/16:

- the early drawdown of the 2015/16 Modernisation Fund (£0.700m) to support the programme in 2014/15;
- the set aside of £0.400m of the 2013/14 revenue budget underspend to support the programme in 2014/15, and;
- to set aside the remaining £1.624m resources from 2013/14 to support the programme in 2015/16.

There are also related capital and revenue investments for the Workstyles VFM programme and the ICT Investment Strategy that have been approved elsewhere, both of which are critical to modernisation of the council and achieving greater efficiencies in the medium term.

### **Programme Delivery**

- 1.10 The Corporate Modernisation Delivery Board, chaired by the Chief Executive, will oversee delivery and performance monitoring of modernisation and VfM activities. Achievement against savings targets will also be reported in Targeted Budget Management (TBM) reports to Policy & Resources Committee as before. There will also be member oversight of the VFM programme through the cross-party 'Budget Review Group' which will include an extended membership.
- 1.11 A brief summary of the VfM programme is provided in the tables below together with proposed savings targets and initial resource requirements. It should be noted that these savings appear under various headings in the main savings proposals set out in Appendices 2 and 3.

VfM Phase 4 Opportunity	High Level Benefits	2015/16 Target £m	Initial Investment Required (Modernisation Funds) 2015/16
<b>Adult Social Care</b>			
<p>Across Older People, Learning Disability and Mental Health services, measures in this VFM programme include:</p> <ul style="list-style-type: none"> <li>• Reviewing high cost city placements and expensive out of city placements;</li> <li>• Considering alternative models of care, including supported living;</li> <li>• Rigorously ensuring care is provided from the appropriate funding stream e.g. Continuing Care, Specialist Placements;</li> <li>• Improving joint commissioning opportunities for transitions;</li> <li>• Continued progression of the personalisation agenda and increased use of Direct Payments via a Support Broker service.</li> <li>• Review of housing options including links to Better Care (esp. for OP Nursing Home care) and potential sources of funding.</li> <li>• Delivering savings through implementing the Resource Allocation System across all care groups.</li> </ul>	<ul style="list-style-type: none"> <li>• Reduction in the number of residential and long term placements.</li> <li>• Reduction in the cost of care placements and acute care costs.</li> <li>• Reductions in emergency admissions to hospital and delayed transfers of care.</li> <li>• Alongside the Better Care programme, improved management of future demands on the health and social care system i.e. reduced requirement for service pressure funding.</li> </ul>	2.030	£0.5m (Adult Social Care Modernisation Fund) (previously approved by Council)
<b>Children's Services</b>			
<p>This is also a large service and budget area and VfM phase 4 will continue to build</p>	<ul style="list-style-type: none"> <li>• Reduced pressure on care costs and care placements through Early</li> </ul>	-	Project management support and specialist support is

<b>VfM Phase 4 Opportunity</b>	<b>High Level Benefits</b>	<b>2015/16 Target £m</b>	<b>Initial Investment Required (Modernisation Funds) 2015/16</b>
on the work to date to manage demand through improved prevention and collaboration across agencies but with more explicit links to the Early Help Strategy and the multi-agency safeguarding approach (MASH). The programme will also review Special Educational Needs and Disability services. The service is under severe pressure at present and therefore this programme is concerned with demand management and reducing potential future pressures.	<p>Help interventions.</p> <ul style="list-style-type: none"> <li>• Improved care planning and data sharing protocols across agencies.</li> <li>• Improved workforce programme including identifying skills gaps for early help services.</li> <li>• Improved response to safeguarding concerns through MASH development.</li> <li>• Improved commissioning and outcomes for Special Education Needs (SEN)/Disability services.</li> <li>• Improved management of future demands on the social care system i.e. reduced requirement for service pressure funding.</li> </ul>		expected to be funded from existing Children's Services and Stronger Families, Stronger Communities funding.
<b>Third Party Spend</b>			
<p>The council spends very substantial sums with third party suppliers and providers. An opportunity has been identified to further increase value for money from third party suppliers through the following approaches:</p> <ul style="list-style-type: none"> <li>• Contract Optimisation – i.e. ensuring contracts are managed well and that the council receives and pays for what it has contracted;</li> <li>• Category Management – for larger</li> </ul>	<ul style="list-style-type: none"> <li>• Overall reduction of circa 3% in the cost of buying goods and services.</li> <li>• Reduction in duplication, waste and 'off-framework' spend and better co-ordination of multi-functional purchasing projects.</li> <li>• Longer-term, greater control over procurement/suppliers leading to better market shaping.</li> <li>• Reduced risk of fraud and/or non-</li> </ul>	2.721	£0.300m recurrent funding approved by June 2014 Policy & Resources Committee

VfM Phase 4 Opportunity	High Level Benefits	2015/16 Target £m	Initial Investment Required (Modernisation Funds) 2015/16
<p>areas, ensuring that suppliers are managed holistically across the council rather than by individual services who may not be aware of poor performance elsewhere or other similar contracts provided by the same supplier within the council;</p> <ul style="list-style-type: none"> <li>Commercial Excellence – ensuring that procurement processes are supported by appropriate commercial expertise and developing this more widely.</li> </ul>	<p>performance of contracts.</p> <ul style="list-style-type: none"> <li>Improved compliance with Contract Standing Orders and procurement regulations.</li> <li>Improved links with commissioning strategies.</li> <li>Improved procurement and contract management skills and optimal use made of those.</li> </ul>		
Income & Debt Management			
<p>Delivering long-term financial benefits through different approaches to managing income and collection as follows:</p> <ul style="list-style-type: none"> <li>Income Optimisation – pursuing opportunities to grow income e.g. business rates, fees and charges, etc.</li> <li>Debt Collection – improving income collection wherever possible, in particular, through financial inclusion initiatives to help people avoid getting into arrears in the first instance;</li> <li>Fraud reduction – looking at potential approaches to fraud risk to identify areas where targeted intervention may produce financial benefits.</li> </ul>	<ul style="list-style-type: none"> <li>Increased income (circa 1% per annum) as a proportion of General Fund gross expenditure.</li> <li>Improved 'ultimate' collection rates across all income areas including reduced debt write off and bad debt provisions across all areas.</li> <li>Reduced cost of collection and recovery across all areas.</li> <li>Greater Financial Inclusion for personal debtors evidenced through reduced arrears cases.</li> <li>Improved mapping and understanding of potential fraud risks.</li> <li>Increased detection rates for fraud</li> </ul>	3.190	£0.150m



<b>VfM Phase 4 Opportunity</b>	<b>High Level Benefits</b>	<b>2015/16 Target £m</b>	<b>Initial Investment Required (Modernisation Funds) 2015/16</b>
	and corruption.		
<b>Client Transport &amp; Fleet</b>			
The aim is to develop a holistic approach to client transport including effective management of demand and improved organisation, deployment and procurement of fleet. An Integrated Transport Unit will be set up to improve route planning/sharing, reduce fleet size and make associated economies.	<ul style="list-style-type: none"> <li>• Improved commissioning and planning of client transport operations leading to improved demand management.</li> <li>• Reduction in the cost of fleet procurement and management.</li> <li>• Reduced operating costs of fleet.</li> <li>• Reduced Home to School transport costs and journeys through alternative transport options</li> <li>• Increased income from commercialisation of vehicle repair and MOT testing.</li> </ul>	0.360	£0.1m
<b>Cultural Services</b>			
Cultural services are vital to the City and are of significant public and Member interest. There could be opportunities to deliver services differently to reduce costs while maintaining or improving service quality including the work underway on the future model for the Royal Pavilion and Museums and associated lottery fund bid. This area will also look at options for community hubs and how and where they could be operated.	<ul style="list-style-type: none"> <li>• Help to protect the City's nationally and internationally significant cultural heritage assets by ensuring the resilience and viability of services.</li> <li>• Boost the Royal Pavilion estate's capacity to deliver BHCC's Economic, Tourism and Cultural Strategies, securing the impact and contribution of the sector on the local economy.</li> </ul>	Not quantified at this stage – subject to detailed business case	To be confirmed

VfM Phase 4 Opportunity	High Level Benefits	2015/16 Target £m	Initial Investment Required (Modernisation Funds) 2015/16
	<ul style="list-style-type: none"> <li>Improve access to council services at low cost.</li> </ul>		
<b>Workstyles</b>			
Continuation of the approach to Workstyles which supports greater opportunities for flexible working while also ensuring the council can maximise the value for money of its office accommodation and reduce footprint and accommodation costs where possible.	<ul style="list-style-type: none"> <li>Reduction in the council's office accommodation footprint.</li> <li>Reduced carbon emissions.</li> <li>Improved flexible working choices contributing to staff welfare and business process changes.</li> <li>Facilitates improved partnership working.</li> </ul>	0.170	Resources are provided for in each phase of the Workstyles business cases.
<b>Total VfM Phase 4 Target</b>		<b>8.471</b>	



VfM Phase 4 - Enabling Workstreams	Benefits	Investment Required (Resources)
<p><b>People Plan &amp; Culture Change</b></p> <p>Modernising the council must be supported by a relevant and appropriately trained and developed workforce. The People Plan will focus on embedding the council's values and supporting cultural change through the Living Our Values development programme. There will be 5 key workstreams:</p> <ul style="list-style-type: none"> <li>• Job Design &amp; Accountability</li> <li>• Workforce Planning</li> <li>• Service Redesign</li> <li>• People &amp; Performance Management</li> <li>• Culture Change</li> </ul>	<ul style="list-style-type: none"> <li>• Job Design &amp; Accountability is about implementing a job structure that: <ul style="list-style-type: none"> <li>○ develops a clearer organisational structure and career pathways;</li> <li>○ supports workforce planning and analysis;</li> <li>○ rewards by what is known not what is managed, and;</li> <li>○ integrates organisational competencies.</li> </ul> </li> <li>• Workforce Planning will mean producing organisational tools to develop good links to business planning, to gather and analyse workforce intelligence and information and to identify opportunities through integrated working. A pilot will be conducted.</li> <li>• The People &amp; Performance Management and Culture Change approach is designed to improve performance management across the organisation through targeted organisational development e.g. the Living our Values development programme.</li> <li>• Service Redesign will provide the organisation with effective advice and toolkits to undertake effective and expedient service redesign linked to</li> </ul>	<p>£0.3m</p>

VfM Phase 4 - Enabling Workstreams	Benefits	Investment Required (Resources)
	Business Process Improvement where necessary.	
<p><b>Information Management &amp; ICT Infrastructure</b></p> <p>A service-led and requirements-based approach to ICT investment should reduce the cost of service provision, create a clearer investment case and improve the council's operations and customer experience.</p> <p>The purpose of this workstream is to deliver the 'Control' section of the council's ICT Strategy. This includes the alignment of ICT operating principles and organisational design principles, the design and implementation of a new financial model and the continual improvement of ICT governance.</p>	<ul style="list-style-type: none"> <li>• Improved governance and control over ICT investment across the council.</li> <li>• Improved business decisions and service design leading to improved customer service.</li> <li>• Maximising the use of ICT Investment Plan resources and investments to improve ICT infrastructure.</li> </ul>	<p>£2m ICT Fund (capital) and £1.160m revenue funding (including £0.360m one-off funding) provided to support the ICT Investment Plan.</p> <p>This VfM project will identify and prioritise further ICT investment requirements for future years.</p>
<p><b>Business Process Improvement (BPI)</b></p> <p>Many of the changes arising from Customer Access, Workstyles, ICT investment and other changes will need processes to be reviewed and re-engineered to make the most of these investments. There will also be many areas where service redesign will be required to improve value for money and BPI can be used to help implement this. BPI's primary focus is on improving processes and services from the customer's perspective.</p>	<ul style="list-style-type: none"> <li>• Where BPI support is prioritised, to identify opportunities for cashable and non-cashable savings through reduced processing costs and improved 'customer journeys'.</li> <li>• Generally, to increase awareness and use of BPI methodology across all services through provision of corporate toolkits and advice.</li> <li>• Improved approach to continuous improvement from a customer perspective.</li> </ul>	<p>£0.2m BPI resources. Currently provided with existing Modernisation Funds until March 2015. BPI resources may be up-scaled subject to demands and inter-dependencies with other programmes (e.g. Customer Access).</p>

VfM Phase 4 - Enabling Workstreams	Benefits	Investment Required (Resources)
<b>Customer Access (Digital Services)</b> Building on the existing Digital Customer Experience programme with further targeted investment to accelerate this initiative and bring more services on-line within a shorter timeframe.	<ul style="list-style-type: none"> <li>• Increased opportunities for shared delivery with partners.</li> <li>• Enhanced proactive services available to vulnerable households.</li> <li>• Providing 'Assisted Digital' services to ensure that those who lack the skills, confidence or access to the internet are not disadvantaged in accessing services.</li> <li>• Improved customer satisfaction through quicker turnaround times, reduced failures and improved information.</li> <li>• Overall reduced costs of supporting customer access through a 'channel shift' to digital services.</li> </ul>	Not quantified at this stage – subject to detailed business case/s.



## Council Carbon Budgets for 2015/16

## APPENDIX 5

Carbon Budget	Budget lead	2012/13 Carbon Footprint (tonnes CO <sub>2</sub> )	2013/14 Carbon Footprint (tonnes CO <sub>2</sub> )	2013/14 Spend (net £)	2014/15 Carbon Budget target (tonnes CO <sub>2</sub> )**	2015/16 Carbon Budget Target (tonnes CO <sub>2</sub> )***
1) Total Corporate emissions (gas, electricity and oil – incl. Freedom Leisure)*	Angela Dymott	11,798	11,802	2,981,967	11,330	10,877
2) Landlord Housing emissions (incl gas and electricity)*	Angela Smithers	5,505	5,645	1,304,609	5,419	5,202
3) Total School emissions (incl gas, electricity and oil)*	Angela Dymott	9,175	9,905	2,396,196	9,509	9,129
4) Fleet fuel emissions	Richard Bradley	2,160	2,207	947,576	2,119	2,034
5) Street Lighting emissions (electricity)	Mark Prior	4,868	4,724	933,815	4,526	4,345

### Caveats:

\*Gas and oil data has been normalised using degree day analysis, to factor out the variations in outside air temperature.

\*\* Based on 4% reduction on 2013/14 performance. Performance against the 2014/15 budget will be calculated in July 2015.

\*\*\* Based on a 4% reduction on 2014/15 actual data will be available in July 2015).

### **Context to performance:**

**Corporate:** Planned maintenance programmes for corporate buildings each year addresses key energy saving initiatives including oil to gas conversions and improvements to insulation. There have been several changes to occupied buildings over the course of the year as part of the Workstyles Phase 3 programme. Automated Meter Reading (AMR) equipment is now installed on many of our utility meters and we are working to address wasted energy. We are currently working on the energy efficient design and refurbishment of Hove Town Hall as one of the main council hubs. We are currently improving insulation in several corporate landlord maintained buildings. The installed solar PV systems at Bartholomew House and Hove Town Hall have been exceeding the expected performance and therefore generating more electricity than anticipated.

**Schools:** Planned maintenance programmes for school buildings each year addresses key energy saving initiatives including oil to gas conversions and improvements to insulation. There have been several school expansions over the course of the year and in 2014/15 a new satellite school was opened. Demand for electricity is higher due to increased electrical equipment including interactive whiteboards, electric kitchens, and IPads. Solar Panels were installed at St Bartholomew's Primary in early 2014 as part of Solar Schools and further schools are raising funds for panels. As part of the project to open a new school in Holland Road we installed a new solar array. During 2014/15 schools have been provided with access to AMR data to help them reduce energy use and they have also been given access to interest free loans for energy efficiency projects and this is a focus going forward. Resource Futures have been providing environmental education support to schools which is helping address sustainable behavioural change and understanding in schools.

**Freedom Leisure:** Freedom Leisure work to an annual energy reduction plan across all the sites they manage. This includes good housekeeping, LED lighting and PIR sensors, insulation enhancements and other mechanical enhancements.

**Housing:** Housing are continuing to support investment projects that will both reduce energy usage and assist residents at a time when fuel poverty is a major challenge in the sector. Already during 2014 several sheltered housing schemes have had solar PV installations put in, and connected to the landlords' supply into the buildings. Additionally, the long-term upgrade of communal lighting and controls is continuing, giving an improved service at times when residents need it. At the same time, the lift replacement programme, which will see almost all the lifts replaced over the next 5 years, is being delivered. These projects, along with communal gas boiler system upgrades and insulation improvements, will assist in further meeting our carbon reduction targets across the housing stock.

**Street Lighting:** Continuing with energy efficient renewal of lighting across the city. Improving the data held within lighting inventory. The Street Lighting Team are exploring options for further capital investment in replacement energy efficient fittings.

**Fleet Fuel:** We have reduced the fleet and replaced vehicles with lower CO<sub>2</sub> (g/km) however the fuel usage has risen. This may be due to disruption at Cityclean and the removal of casual and essential car user's allowance.

## Budget Consultation and Engagement with Residents Autumn 2014

### Preliminary Summary Report

#### About this report:

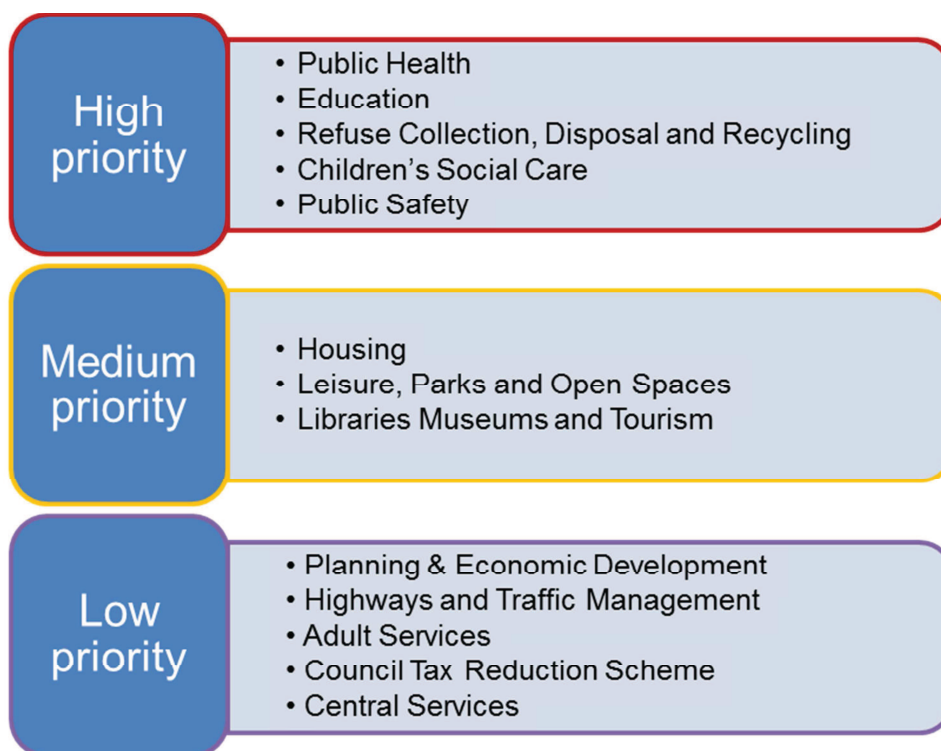
Findings reported here are based on 427 random sample postal and online survey responses and 227 budget tool users' views.

Results of the random sample survey are the most statistically robust: the summary information below draws on these alone.

Detailed information on the approach, methods, response rates and analysis are provided at end of this report.

An update report will be provided to Members in January 2015 to include further analysis and wider consultation findings e.g. from the online survey, a Youth Council event, etc.

#### Findings: at a glance



- Public Health is residents' top priority; a third would increase spend on it. Central Services is residents' lowest priority;
- Whilst the majority want funding to be, at least, maintained for all service areas, around two-fifths would reduce funding for the Council Tax Reduction Scheme, Central Services and Highways and Traffic Management;
- Two fifths think Council Tax should never rise; half think it could under certain circumstances;



- Residents are very much in favour of the exploitation of fines for anti-social behaviour as a way to increase income, and of differential charging for attractions for residents and visitors;
- Residents would stop delivering non-essential services and stop spend on road/traffic/cycle/parking developments;
- Residents would start introducing/increasing charges/rates/taxes/fines and start to focus on delivering (only) “essential” services and improving waste and recycling services;
- Residents would change staffing/councillor levels and pay, and change road/traffic/cycle/parking developments.

## **Findings:**

### Paper and online survey: random sample

Residents were first invited to rate as high, medium or low, the priority they would give to different service areas for themselves and their family, then to do the same prioritisation exercise for the city.

Not everyone who completed the survey rated every service area so the number of people rating each service area is given in brackets on charts. For example only 364 respondents rated Central Services, whereas 403 rated Public Health.

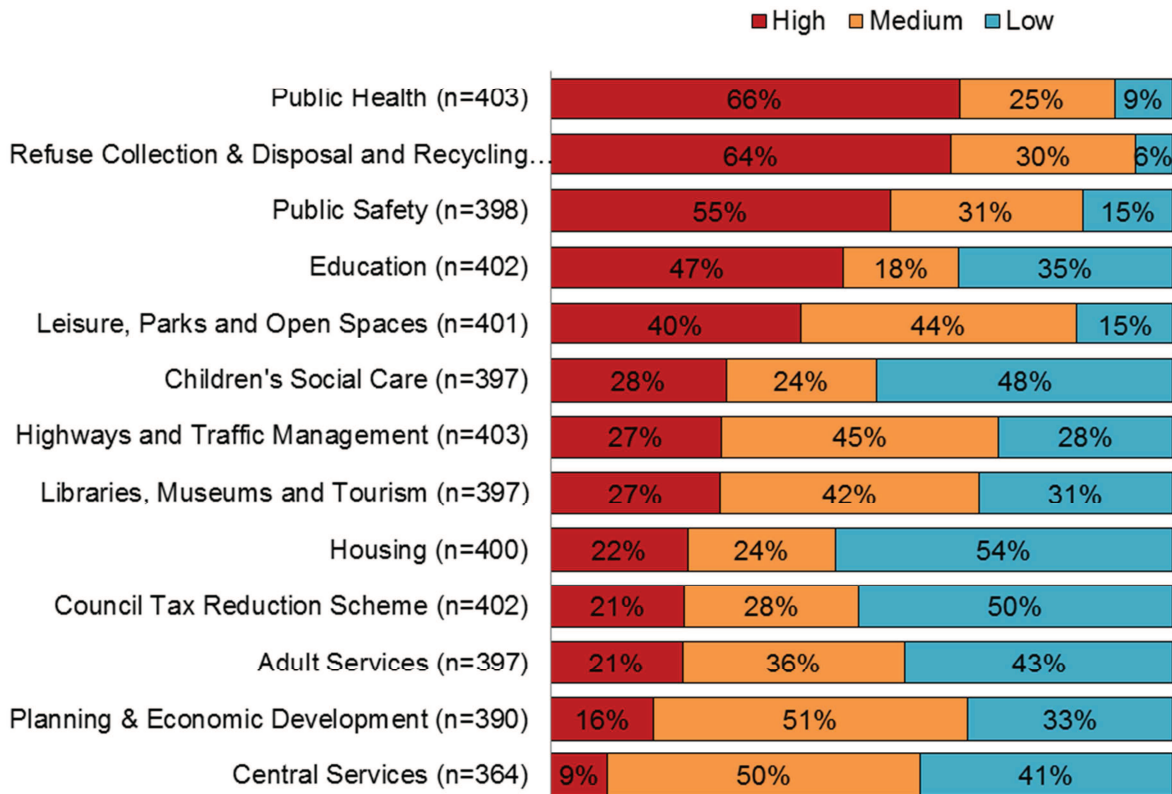
A small number of respondents only rated services for themselves and their family and did not go on to rate them for the city as well.

Results show that respondents tended to rate service areas as a higher priority for the city than for themselves and their families. There was also, unsurprisingly, more polarisation when rating service areas for themselves compared to the city; i.e. if a respondent (and their family) uses or benefits from a particular service they may be more inclined to rate it a higher priority, whereas a respondent not using or benefitting from a service may be more inclined to rate it low.

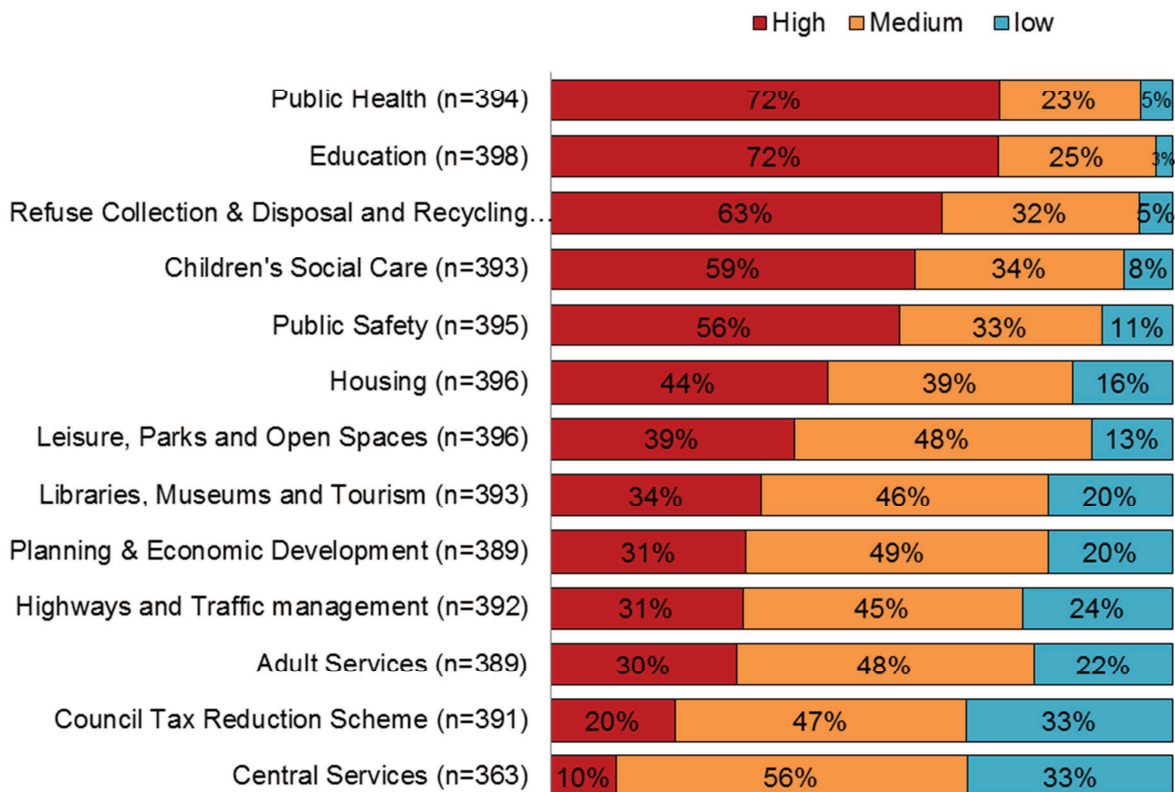
Compared to last year’s results, the proportions rating services as high priorities are lower, and proportions rating services as low priorities are higher, suggesting the scale of the budget challenge may be better understood this year.

The charts overleaf show the service areas ranked from highest priority to lowest for respondents and their families, then for the city.

### Priority rating of each service area: For you & your family



### Priority rating of each service area: For the city



## Higher priority areas

Top five (largest proportion rating high priority for the city):

- Public Health (72% high)
  - Education (72% high)
  - Refuse Collection, Disposal and Recycling (63% high)
  - Children's Social Care (59% high)
  - Public Safety (56% high)
- 
- With the exception of Public Health, which wasn't asked about in last year's survey, all service areas have lower priority ratings this year.
  - Public Health had the highest priority rating of all services, regardless of whether respondents were rating it for themselves and their family (66%), or the city as a whole (72%).
  - Education was also rated a high priority for the city by 72% of respondents, with just 3% rating it a low priority. For respondents and their families, Education received a lower rating (47% high) but was nonetheless the fourth highest ranked service.
  - Refuse Collection, Disposal and Recycling received high and very similar priority ratings, regardless of whether respondents were rating it for themselves or the city (64% and 63% respectively).
  - Children's Social Care had a high priority rating, especially when rated for the city, with 59% rating it high. Although only 28% rated it high for themselves and their families it ranked 6<sup>th</sup> out of the 13 service areas asked about.
  - Public Safety, like Refuse Collection, Disposal and Recycling, was rated very similarly for respondents themselves (55% high) and the city (56% high).

## Lower priority areas

Bottom five (largest proportion rating low priority for the city):

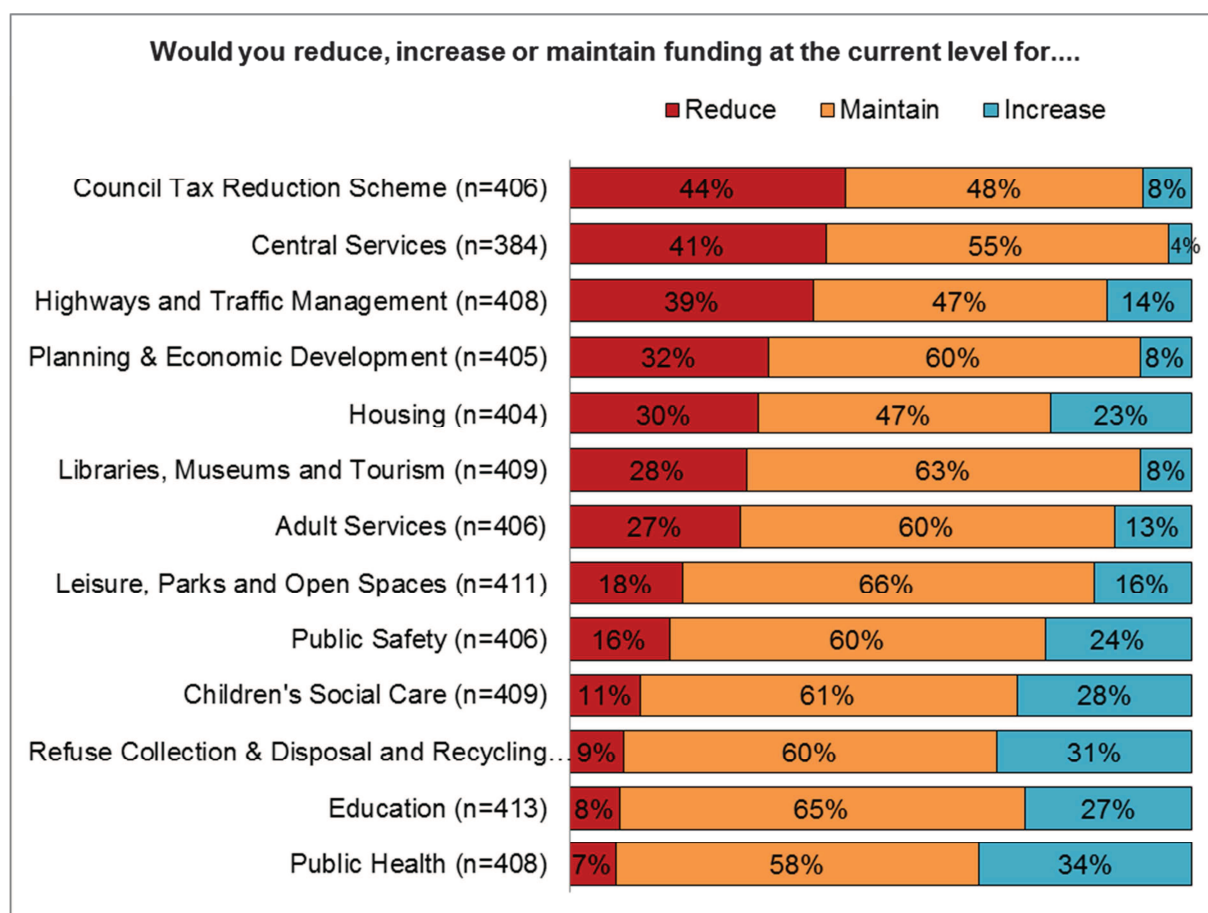
- Central Services (33% low)
  - Council Tax Reduction Scheme (33% low)
  - Highways and Traffic Management (24% low)
  - Adult Services (22% low)
  - Planning & Economic Development (20% low)
- 
- As in previous years, Central Services was the lowest rated area with just 10% rating it a high priority for the city, and only 9% rating it high for themselves. A third of respondents rated it a low priority for the city.
  - Although, generally, larger proportions rated service areas as lower priorities this year, just two areas were rated low by at least a third; Central Services and Council Tax Reduction Scheme.
  - Despite differences in how respondents rated services for themselves and for the city, three of the four lowest rated services are the same. These were Central Services, Adult Services and Council Tax Reduction Scheme, all of which were rated low priorities by at least a fifth of respondents.

- The service area with the largest proportion, 54%, rating it a low priority for themselves and their family was Housing. This compares to 16% rating it low for the city.

### Areas with the widest spread of opinion

- When rating services for themselves there was more variance than when rating services for the city. As mentioned before, this is likely to be as people rate services they currently use, or are more likely to use, as a higher priority.
- The widest spread of opinions when rating services for themselves and their families were Highways and Traffic Management (27% high, 28% low), Libraries, Museums and Tourism (27% high, 31% low) and Education (47% high, 35% low).
- Service areas where views were divided over the priority for the city were Highways and Traffic Management (31% high, 24% low) and Adult Services (30% high, 22% low).

Respondents were asked to say whether they would reduce, increase or maintain service area funding at the current level. This year, respondents were more inclined than last year to say funding should be reduced, and less inclined to say it should be increased, across all service areas (except Public Health which was not asked about last year). Results are shown below.



### Reduce funding

Respondents generally didn't want funding reduced with the majority opting to either maintain or increase funding for all areas.

That said, 44% would reduce funding for the Council Tax Reduction Scheme, 41% would reduce funding for Central Services and 39% would reduce it for Highways and Traffic Management.

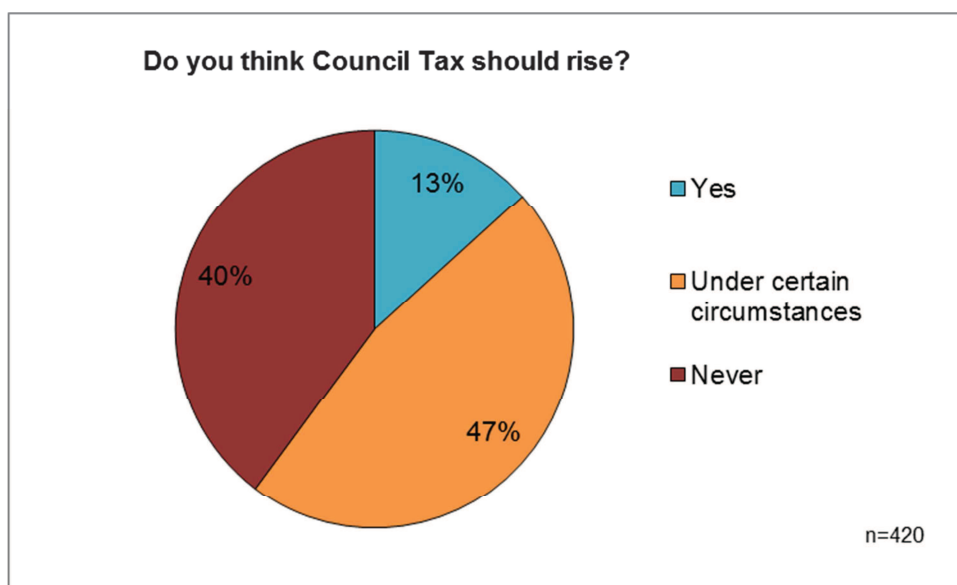
### **Increase funding**

The only service area where at least a third wanted funding increased was Public Health, with 34% saying they would increase funding and just 7% saying they would reduce it. A comparatively large proportion, 31%, would increase funding for Refuse Collection & Disposal and Recycling.

### **Maintain funding**

With the exception of 3 service areas (Housing, Highways and Traffic Management and Council Tax Reduction Scheme) over half of respondents thought funding should be maintained at the current level. Service areas with the highest proportions of respondents thinking funding should be maintained were Leisure, Parks and Open Spaces (66%), Education (65%) and Libraries, Museums and Tourism (63%).

Respondents were then asked if they felt Council Tax should ever rise to reduce pressure on the council's finances.



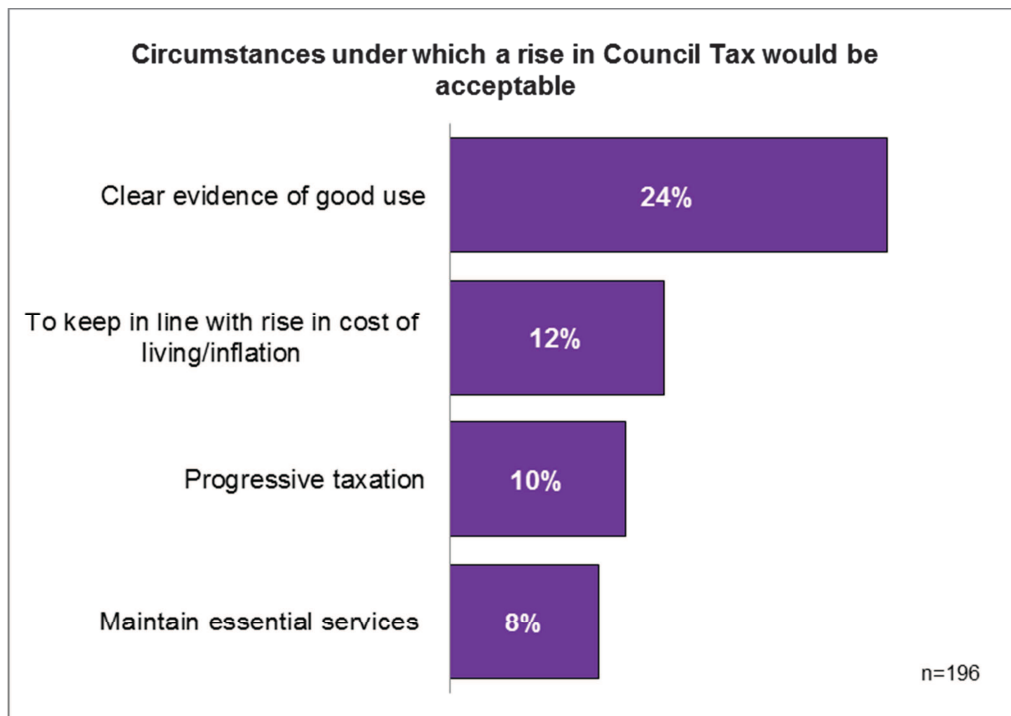
13% of the sample felt that Council Tax should rise, a notably larger proportion than the 6% saying it should in response to last year's survey. However, 40% thought that it should never rise whilst 47% felt that an increase in Council Tax could be justified in certain circumstances; both of these results are within +/- 4% of last year's results.

Analysis of comments made by respondents who answered that Council Tax could rise "under certain circumstances" has been conducted to establish what those circumstances are. It shows there are 4 main positions:

- If there's clear evidence of the money being put to "good use" (24%<sup>1</sup>)
- If the rise is in line with cost of living increases/inflation (12%)

<sup>1</sup> Proportion calculated as number of mentions of an issue as a percentage of respondents answering the question "under certain circumstances"

- If the system is progressive (10%)
- If the rise is in order to maintain essential services (8%)



Some respondents specified particular services that money raised from any rise in Council Tax should be used to fund. In order of mentions these were:

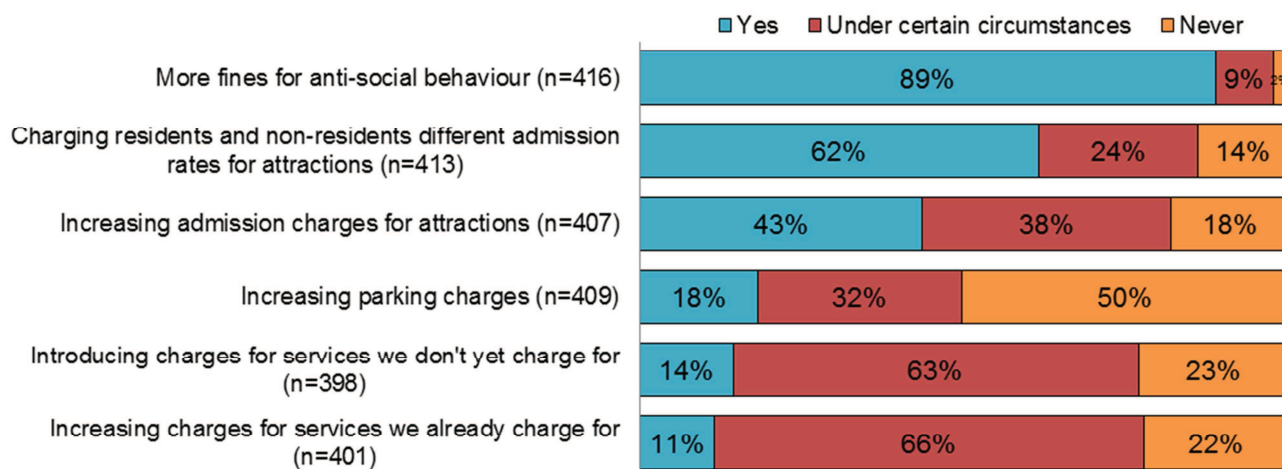
- Public Health (6%)
- Waste and recycling (6%)
- Social care (6%)
- Schools and education (5%)
- 5% of respondents would support a rise in Council Tax to finance the Council Tax Reduction Scheme.

There was a wide range of other circumstances under which a rise in Council Tax would be acceptable, but, with the exception of those noted above, none were mentioned 10 times.

Respondents were then asked if they would support raising money from any of 6 different sources. Two new sources were asked about in this year's survey: "charging residents and non-residents different admission rates for attractions" and "introducing charges for services we don't yet charge for", and the wording of one option changed from "increasing admission charges for services" to "increasing charges for services we already charge for".



### Would you support raising money from any of the following sources?



As in previous years, there was clear support for easing pressure on the council's finances through more fines for antisocial behaviour such as litter, dog fouling and noise, with 89% of the sample saying they would support raising money via such fines and only 2% saying this should never happen.

The majority, 62%, also favoured charging residents and non-residents different rates for attractions.

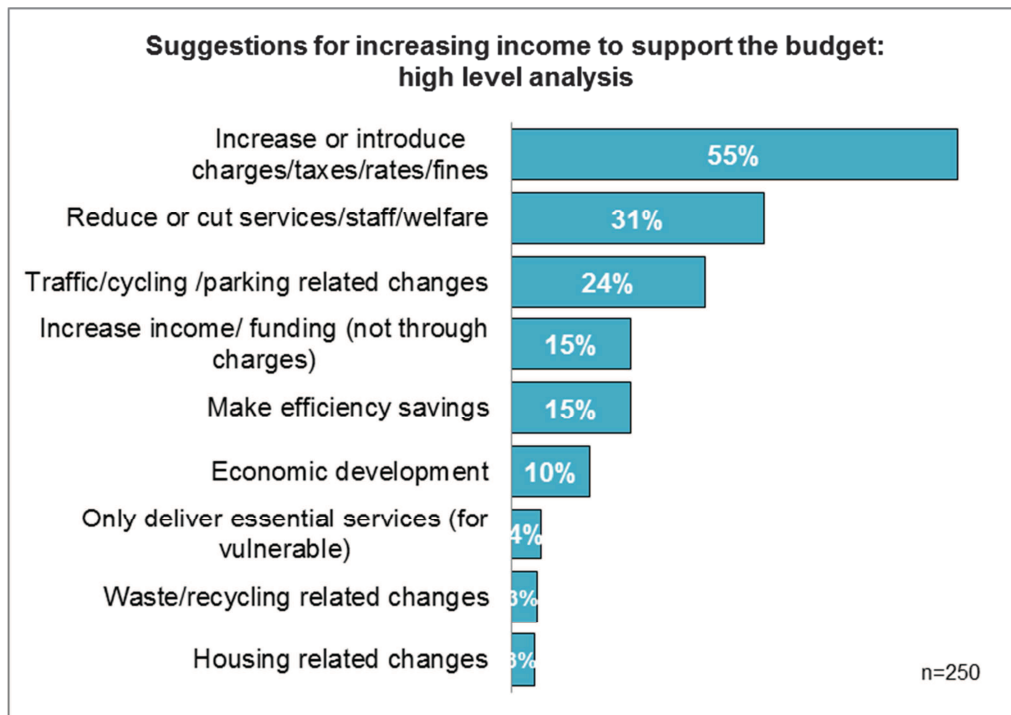
This year there was more of an appetite to increase charges for attractions with 43% in favour. Last year respondents were divided as to whether increasing admission charges for attractions should be done, with similar proportions in favour (26%) as opposed (27%).

Half of respondents were opposed to increasing revenue through raising parking charges, a slightly lower proportion than last year (55%).

The majority (around two thirds in each case) said that only under certain circumstances would they favour the introduction of charges for services we don't yet charge for and increasing charges for services we already charge for.

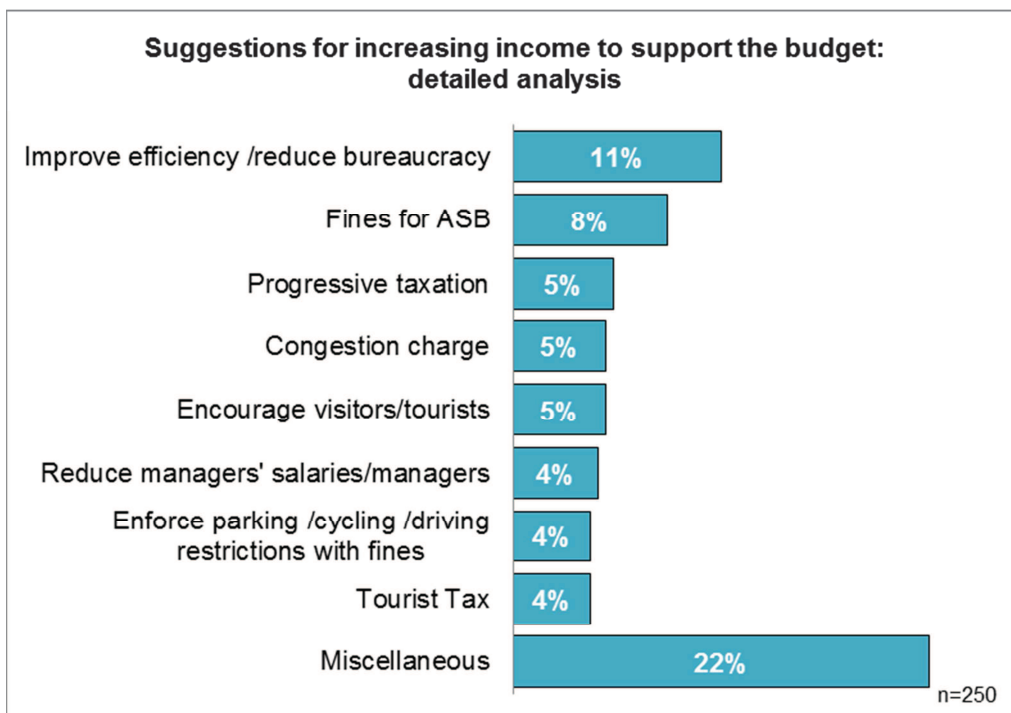
Respondents' other suggestions for increasing income to support the budget were wide ranging. Analysis has therefore been undertaken at two levels; firstly, at a high level, with suggestions grouped into broad categories, and secondly at a more granular level, with counts of mentions of single issues.





Analysis at a high level shows increasing, or introducing charges, taxes, rates and fines was the most common type of suggestion from residents for raising income, with 55% of those responding to the question commenting to this effect. This compares against 31% who suggested making cut-backs and reductions, although note that many respondents made suggestions that fit into more than one category, so some have suggested raising charges, as well as reducing services<sup>2</sup>.

The chart below shows only those suggestions that were mentioned at least ten times.



<sup>2</sup> Where this is the case responses are multi-coded.

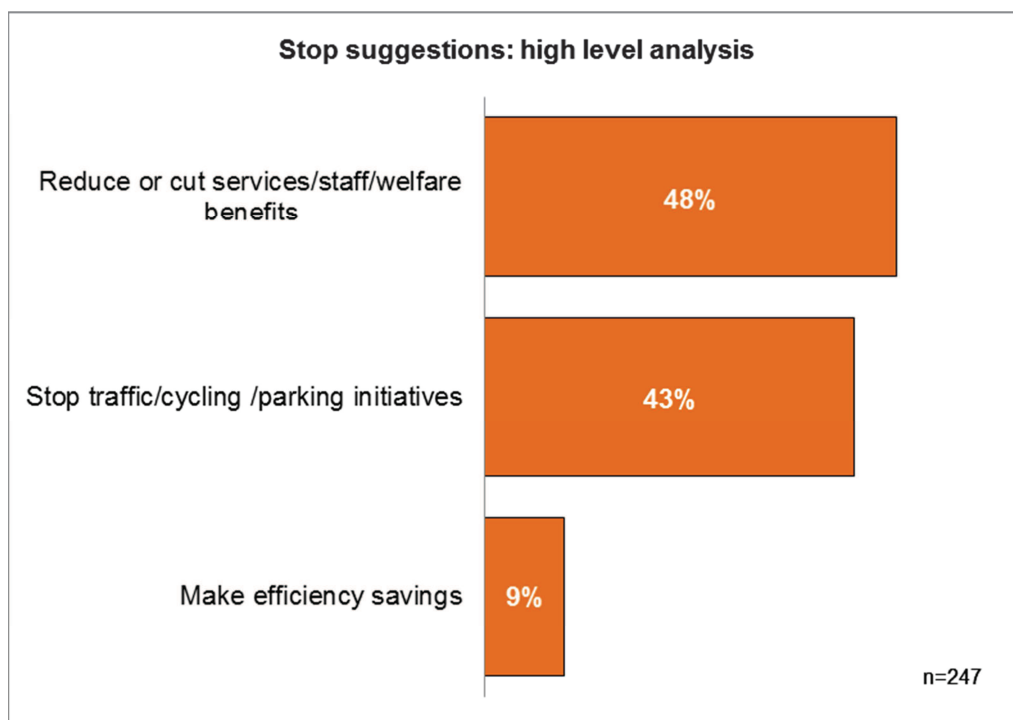
The most common single issue mentioned was to improve efficiency, cut out waste and bureaucracy and streamline services. One respondent said:

*“Look at the efficiency of how some departments are run. Get a business analyst in maybe - just do some common sense cost saving.”*

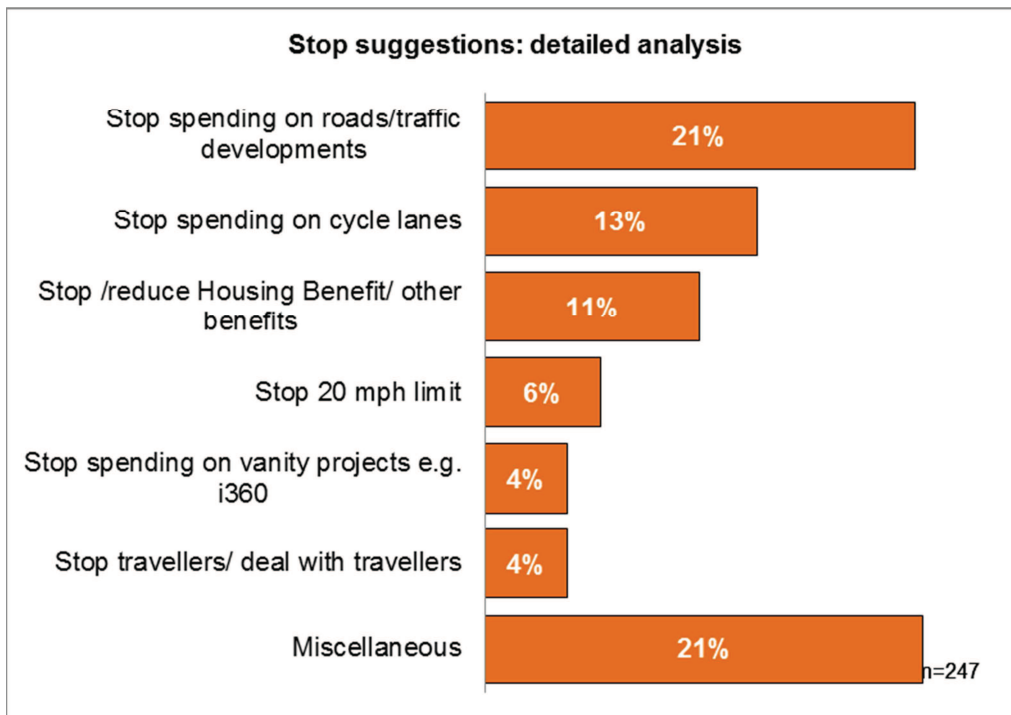
Fines for anti-social behaviour were another popular suggestion, regarded as a win-win for the city. Some respondents singled out different types of ASB they would charge for. For example, one respondent said:

*“1) Large fines to cyclists riding on pavements and going through red lights. 2) Cars parked on pavements, extended corners etc. should be fined heavily. 3) Dog owners who blatantly ignore signs saying "dogs should be on leads" should be heavily fined. Not picking up after your dog also. I am a dog owner by the way. 4) Impose high fines on properties which leave rubbish outside for weeks. Empty/vacated properties should have the fine loaded onto the buy-to-let landlords.”*

Respondents were asked, in the financial context, what they would stop doing, or do less of. Again, the charts below show only those issues mentioned at least 10 times.



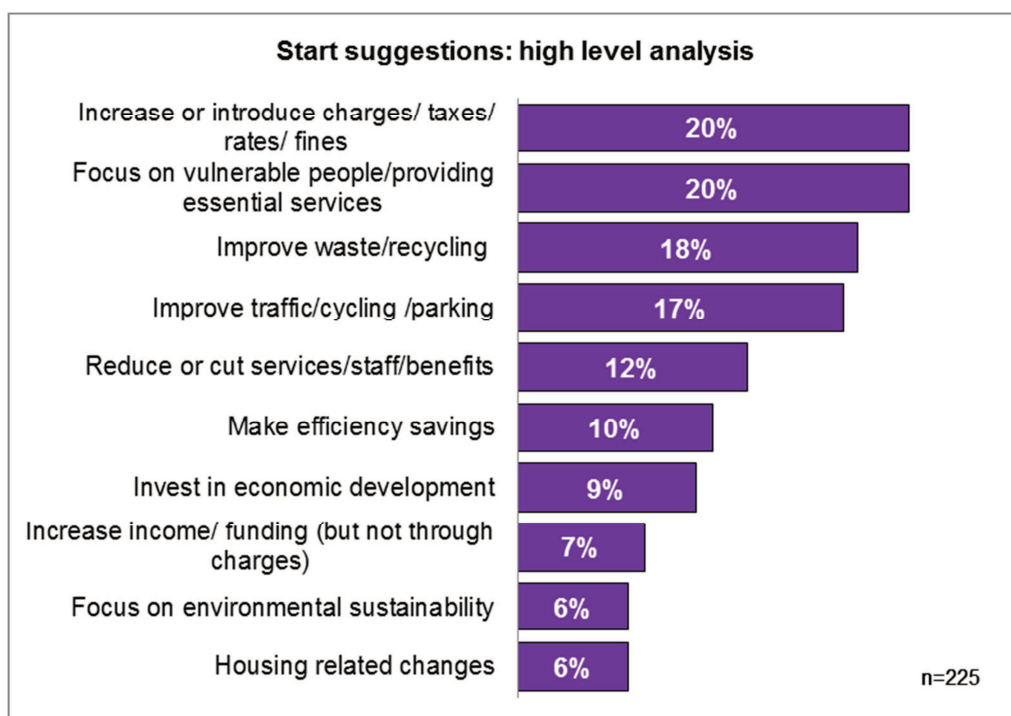
Probably due to the wording of the question, comments clustered around reducing or cutting services, staff and benefits. Stopping traffic, cycling and parking initiatives was a close second with 43% suggesting making fewer changes to transport infrastructure.



Looking in more detail at what respondents felt could be stopped shows alterations to roads (including bus lanes) was the most frequently mentioned single issue, with 21% of responses referring to them. A further 13% referred specifically to spend on cycling lanes that they would stop to help close the budget gap.

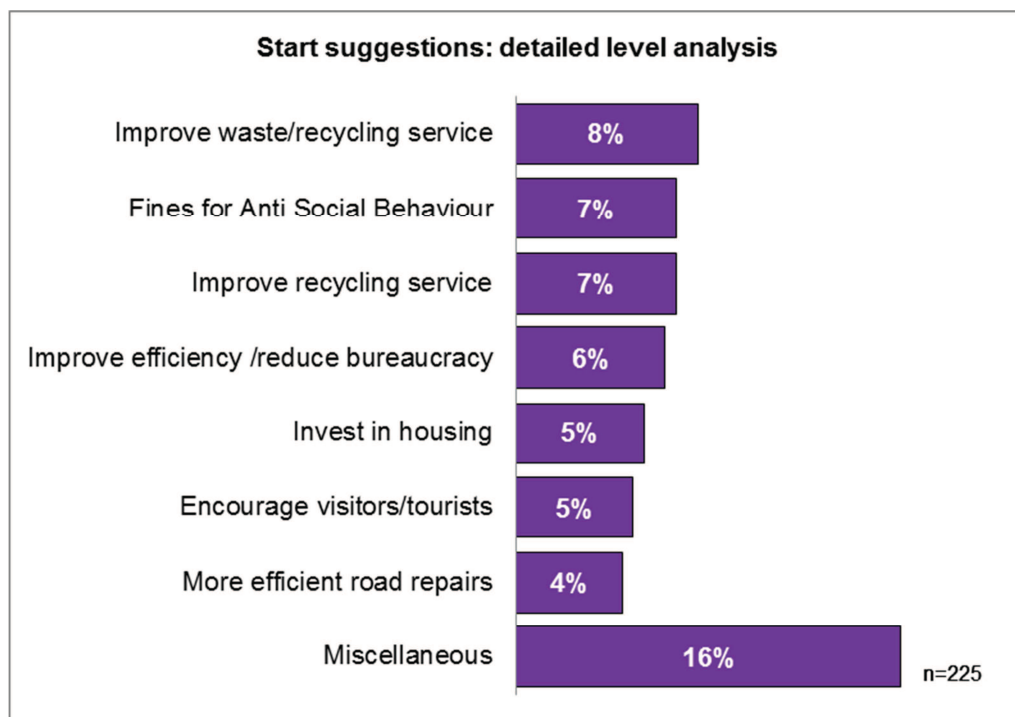
Reducing benefits, particularly Housing Benefit, was mentioned by 11%, and, in some cases, sentiments around this suggestion were expressed strongly.

The next question asked respondents what they would start doing, or do more of.



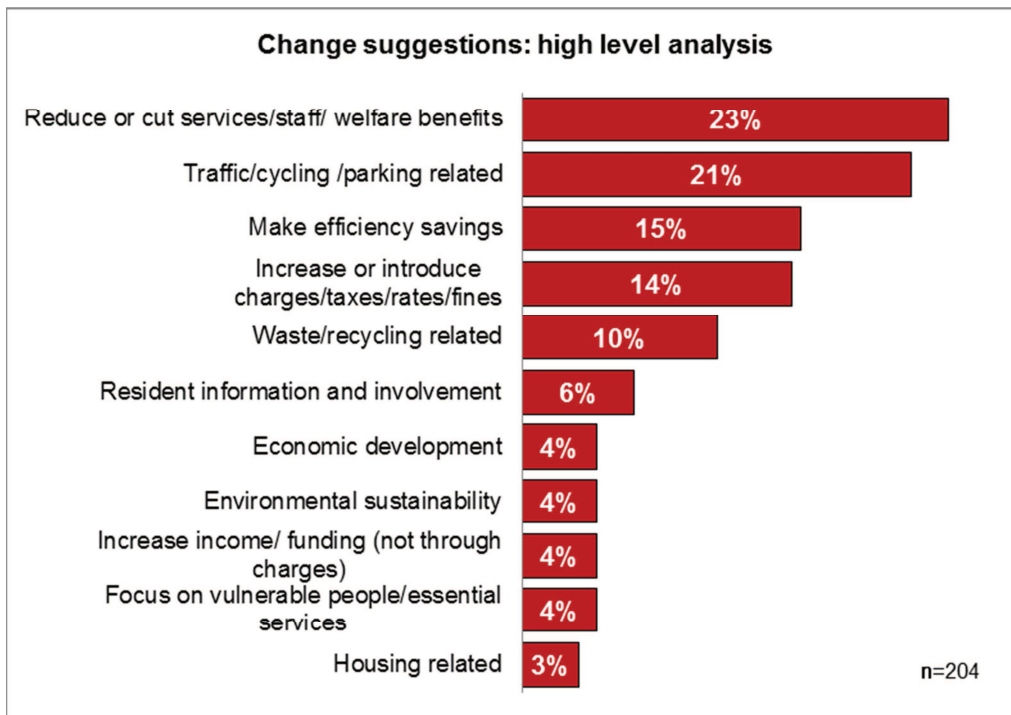
20% of respondents felt that introducing or increasing charges was something they would do to help close the budget gap, whilst the same proportion felt that the council should focus its efforts on delivering (only) essential services. Respondents had different views about what those essential services were but there tended to be agreement that the most vulnerable residents should be prioritised, with social care, and children's services, including education being frequently mentioned.

Improving the waste and recycling service was mentioned by 18% of respondents.



Looking in more detail at suggestions reveals that, whereas 8% of respondents referred to improving the waste/recycling service, a further 7% specifically singled out improvements to recycling services as something they would start to focus on.

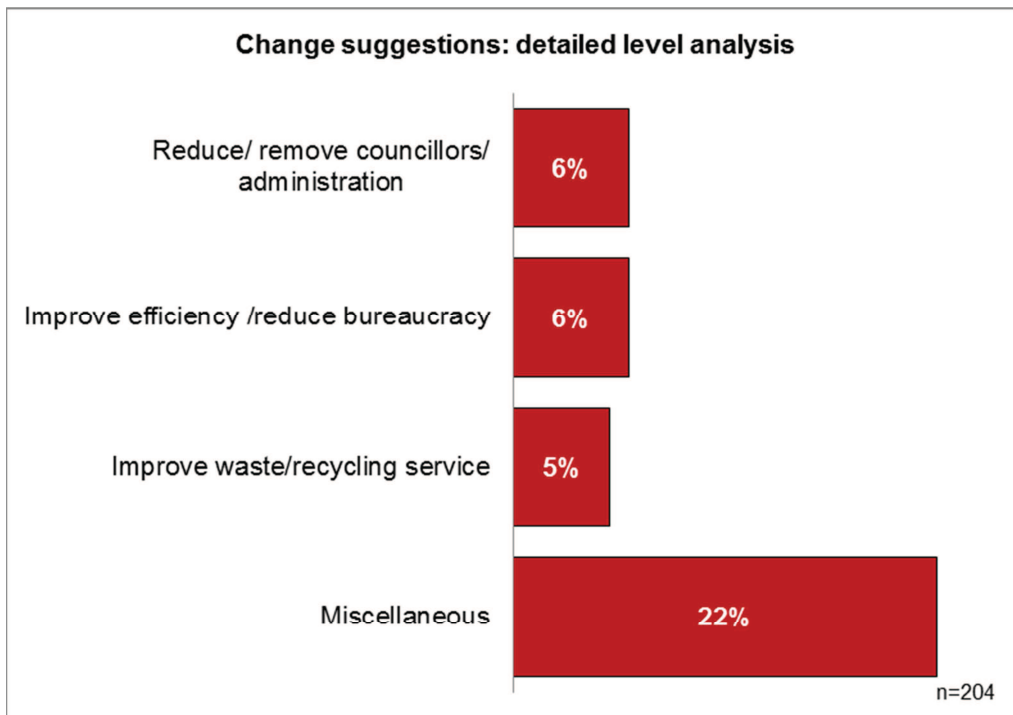
Finally, respondents were asked what they would change or do differently. Most respondents chose to recap on their previous answers here.



Reducing or cutting services/staff/benefits was the top suggestion for change mentioned by 23%. 14% felt increasing or introducing charges should be part of the funding gap solution. This suggests that, on balance, respondents would favour cutbacks rather than paying more to maintain the status quo.<sup>3</sup>

Again, traffic, cycling and parking related changes were frequently mentioned.

<sup>3</sup> This finding appears to contradict respondents' earlier answers around suggestions to increase income, whereby increasing or introducing charges was favoured over cutbacks. However, this is probably due to the question wording; the former question asked about increasing income specifically, and cutbacks would not increase income, although they would effectively increase the amount of money available to divert to where it was needed.



There was a particularly wide range of single issues mentioned in response to this question, and, as in previous charts, the chart above shows only those issues mentioned by at least ten respondents.

The most frequently mentioned single issue respondents would change, mentioned by 6%, was to remove or reduce councillors/the Council, followed by improving efficiency and improving waste and recycling services.

## Online budget literacy and prioritisation tool

By 5 November 2014 447 people had elected to use the interactive budget tool on the Council's website which shows how much money is spent on different service areas, as well as where it comes from. On the first screen, when a user clicks a particular service area, details of what each area includes appear, as well as the cost in 2014/15.

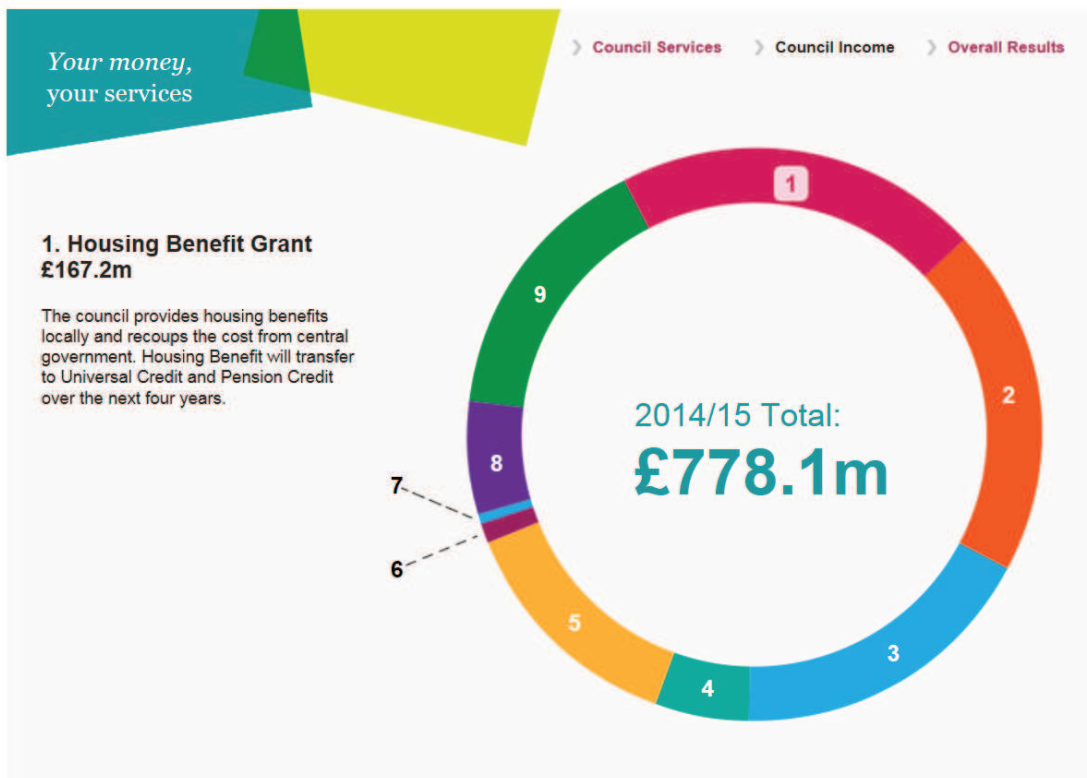
The screenshot below shows the tool when the user clicks on Adult Social Care.



Users of the tool have the opportunity to rate the 14 different service areas with a priority rating of high, medium or low. Not all users choose to do this, and the tool is as much, if not more, about budget literacy as it is about gathering feedback. So, whilst 447 people have looked at the tool (these are individuals looking at the tool rather than the number of visits which is 717) a maximum of 227 have gone on to prioritise service areas. This sample is self-selecting and so should not be considered robust, but the results are indicative of users views.

On the second screen users can find out where council income comes from. In the screenshot below the user has clicked on the red section of the chart (labelled 1) relating to the Housing Benefit Grant.



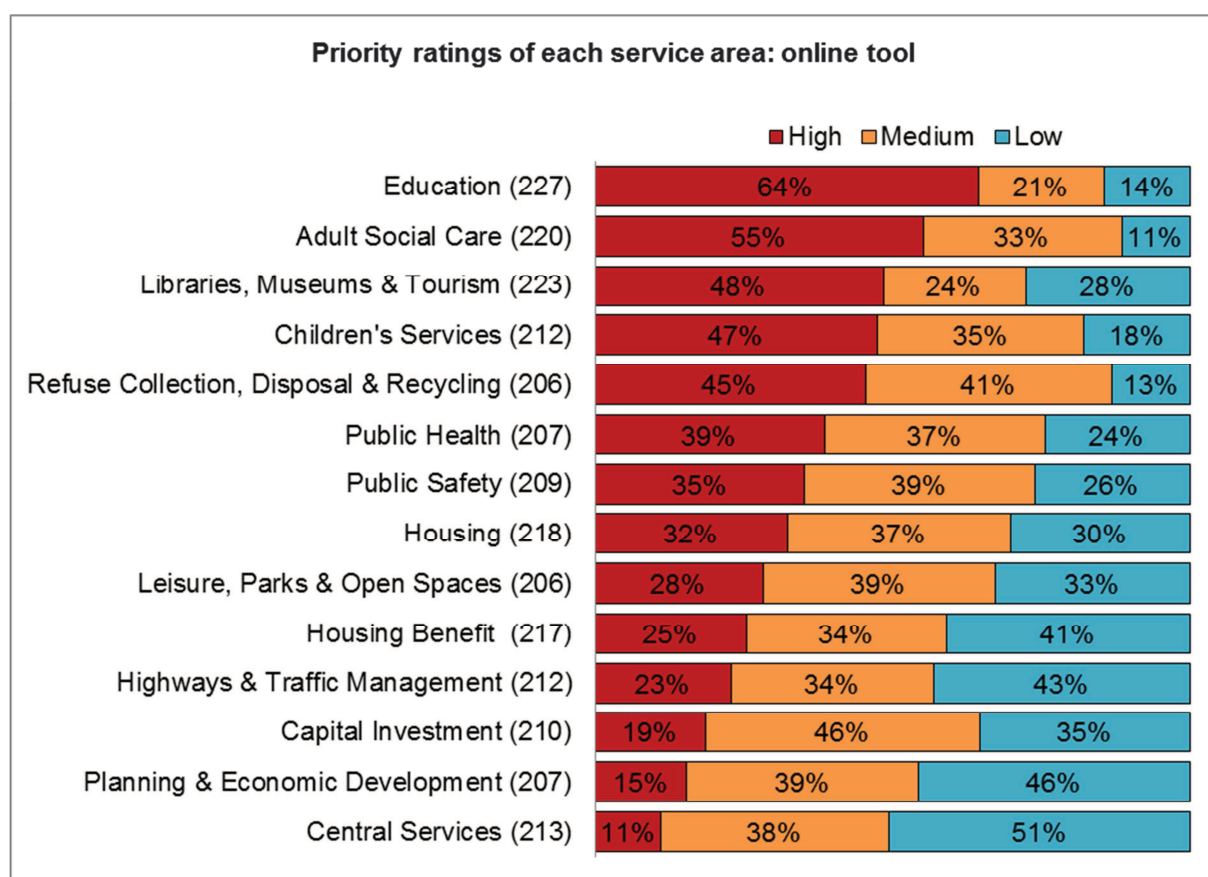


On the final screen of the tool users can see the average results of how users of the tool have prioritised services.

Not all users who prioritised any services as high, medium or low prioritised all services; they missed out rating some. For example, 227 users have given Education a priority rating but only 206 have given Leisure, Parks and Open Spaces a rating.

The chart below shows the percentage of all users rating each service area as high, medium or low.

Note that there are two additional service areas in the tool to the ones asked about in the survey outlined above; “Capital Investment Programme” and “Housing Benefit”. Also the term “Adult Social Care” is used on the tool where “Adult Services” is used on the survey and “Other children’s services” is used on the tool where “Children’s Social Care” is used on the survey. Council Tax Reduction Scheme is included in the survey and not the tool.



As for the survey, compared to last year's results, the proportions rating services as high priorities are lower, and proportions rating services as low priorities are higher. For example, last year, 3 service areas (Education, Adult Social Care and Children's Social Care) were rated a high priority by at least two thirds of tool users. This year no services have been rated a high priority by quite such a large proportion. Last year, the largest proportion rating any service as a low priority was 39%, (for Planning and Economic Development) whereas this year it's 51% for Central Services.

### Higher priority areas

Top five (largest proportion rating high priority):

- Education (64% high)
  - Adult Social Care (55% high)
  - Libraries, Museums and Tourism (48% high)
  - Children's Services (47% high)
  - Refuse Collection, Disposal & Recycling (45% high)
- Education and Adult Social Care, as in previous years, were given high priority ratings; this year at least half of respondents (64% and 55% respectively) thought they were high priorities. Adult Social Care had the smallest proportion (11%) rating it a low priority.
  - Libraries, Museums & Tourism was considered a high priority by 48%, making it the third highest rated service this year, whereas last year it was tenth out of fourteen. That said, 28% felt it was a low priority, indicating mixed views.

- Children's Services was rated high by 47%.
- Analysing results by adding the proportions rating services as high or medium priorities reveals that four services were rated as such by at least four fifths of respondents: Adult Social Care (89%), Refuse Collection, Disposal & Recycling (87%), Education (86%) and Children's Services (82%).

### **Lower priority areas**

Bottom five (largest proportion rating low priority):

- Central Services (51% low)
- Planning and Economic Development (46% low)
- Highways and Traffic Management (43% low)
- Housing Benefit (41% low)
- Capital Investment (35% low)
- Over half (51%) of tool-users thought that Central Services was a low priority and just 11% thought it was a high priority.
- Planning and Economic Development received slightly higher ratings, but 46% also felt this was a low priority area, and just 15% felt it was a high priority.
- Highways and Traffic Management and Housing Benefit both had over 40% rating them low (43 and 41%) but also had around a quarter rating them high (23 and 25% respectively). Both service areas were rated a medium priority by 34%.
- Capital investment had a comparatively smaller proportion rating it a low priority (35%), but a comparatively high proportion rating it a medium priority (46%).

### **Areas with the widest spread of opinion**

- Housing and Leisure, Parks & Open Spaces appear to divide opinion, with around a third in each case rating them high, medium and low priorities.

## **About the consultation approach**

The budget consultation approach taken in 2013/14 was felt to efficiently deliver robust results, as well as enabling residents to have their say about the council's budget, should they wish to. The approach was therefore mirrored this year, with some improvements to consultation questions.

Specifically:

- a postal survey was issued to a random sample of 3,000 households in early October, with an aim of obtaining a statistically robust sample;
- the same survey questions were made available online via the Consultation Portal from 26 September 2014, and the link to this survey was widely promoted via social media, and in targeted emails to strategic partners, the community and voluntary sector, the business sector and other stakeholders;
- the same survey was made available in hard copy in libraries and public buildings and to targeted groups such as residents of sheltered housing; and
- an online budget literacy and prioritisation tool has been hosted on the Brighton & Hove City Council website budget pages since 26 September 2014.

## **About this report**

This report draws only on the results to the survey issued to a representative sample of households received by 7 November and on the prioritisations made by users of the online budget tool by 5 November.

Analysis of the self-selecting samples' responses to the online and paper based survey and further responses from the random sample, received after 7 November, will be included in an update report in January 2015, ahead of detailed budget discussions.

There is a range of other consultation and engagement activity taking place with stakeholders, staff and representative groups that also have relevance to budget deliberations.

## **Note about interpreting results**

The results to the random sample survey should be considered the most robust as these are from a random sample of households in the city. As there were 427 responses we can be sure that they are representative to within +/- 5% of the views of all households.

## **Methods and response rates**

### Paper and online survey: representative sample

A paper based survey was issued to a stratified random sample of 3,000 households across the city in the first week of October 2014. The cover letter accompanying the survey explained that households could also complete the survey online. The sample was stratified to ensure that all areas of the city were targeted.

A reminder letter and another survey were issued to those households that had not responded three weeks later.

A closing date of 31 October 2014 was set, although surveys received up to 7 November are included in the analysis.

In total 427 survey responses were received via this method by 7 November, representing a response rate of 14.4% (once void addresses are removed from the base). Despite using the same methodology as last year, the response rate was lower than anticipated (25%). However, the sample is statistically robust at the city level at a confidence interval of between 4% and 5%, depending on how many people responded to each question. This means that we can be sure that the results are accurate to within +/- 5%. For example, if a result from this sample of households is 45% we know that the actual result, were we to survey all households in the city, would be within the range 40% to 50%.

#### Online budget literacy and prioritisation tool

The budget pages of the Brighton & Hove City Council website include a link to an interactive budget tool. This enables users to see how much money is spent on different service areas, where the money comes from and, if they wish, to indicate what priority they would give the service areas if they were setting the budget.

The tool is still available at the time of writing but data was downloaded for analysis on 5 November 2014. Responses received up to 21 January 2015 will be analysed in the update of this report.

In total 447 people had used the tool and a maximum of 227 people went on to prioritise service areas, a much larger number than last year when just 83 people prioritised services over a five month analysis period.

## Budget 2014-15 Equality Impact Assessments (EIAs) for Impacts on Service-Users: Process, Assessment and Planned Actions

### Summary

The council is legally required (in the Equality Act 2010) to evidence how it has rigorously considered its equality duties in its budget-setting process. To achieve this, Equality Impact Assessments (EIAs) have been completed on all budget proposals with a potential impact on service-users related to their legally protected characteristics. Potential impacts on staff will also be considered.

Impacts are identified and mitigating actions proposed, where possible. All EIAs are available in Appendix 8 and should be considered alongside the relevant proposal.

This document explains the EIA process and identifies the cumulative impacts, across all the proposals, and overall mitigating actions which will need to be taken. At this stage, significant impacts across multiple proposals have been identified on the following groups:

- Disability
- Age – older and younger people
- Gender - women
- Child Poverty

The most important impacts and/or mitigating actions at this stage are:

Reducing additional support to meet needs, but statutory provision is maintained.

Where changes to services to individuals are needed, assessments will be used to identify specific needs.

Making commissioning more efficient and cost effective to maintain quality while targeting services better.

Communicating changes to all stakeholders, effectively and appropriately

Reducing funding for some mainstream/open activities and focusing on targeted priority groups.

Pressures on Third Sector (CVS) from multiple proposals and national context

Cumulative impact of increasing and/or introducing fees and charges, but exemptions and concessions are planned.

Where impacts are identified, there are plans for further consultation with stakeholders on how changes are implemented.

Closer and more efficient partnership working to fill gaps and to increase efficiency

Encouraging residents to volunteer and take over some activities, which has both benefits and risks.

Ongoing local impacts of national changes to the welfare system, combined with rising living costs impact some groups more severely than others.

'Channel Shift' encourages online access to services, but unless carefully planned can exclude some groups.

Full details of all impacts and actions are below.

## **1. Introduction**

- 1.1** This report describes the process of Equality Impact Assessment (EIA) made on the budget proposals for 2015/16 and analyses the findings. The council has legal duties under the Equality Act 2010 to consider the needs of diverse people in our budget-setting processes and address negative impacts where possible.
- 1.2** Budget EIAs evidence how the council is meeting this duty. EIAs are available in Appendix 8.
- 1.3** This report describes:
- the council's legal duties in the budget-setting process (section 2);
  - the national and local context (sections 3 and 4);
  - the council's approach to and aims in EIA as part of decision-making (section 5);
  - which legally protected groups (staff and service-users) are identified at this stage as potentially experiencing disproportionate impacts, cumulatively from proposals (section 6);
  - council-wide cumulative impacts on service-users identified at this stage and the over-arching actions which will be needed to mitigate negative impacts and maximise positive impacts (section 7).

## **2. Our legal duties**

- 2.1** Under the equality duty set out in the Equality Act 2010, public authorities must have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity, and to foster good relations between people who share a protected characteristic and those who do not.
- 2.2** The protected groups covered by the equality duty are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The duty also covers marriage and civil partnerships (only in respect of eliminating unlawful discrimination). Assessment has also been included of impacts and actions in relation to child poverty.
- 2.3** The law requires that public authorities demonstrate that they have paid conscious and rigorous attention to the equality duty aims in their decision-making.
- 2.4** By law, our assessments of impact on equality must:
- Contain enough information to enable a public authority to demonstrate it has had 'due regard' to the aims of the equality duty in its decision-making
  - Consider ways of mitigating or avoiding any adverse impacts.



Our Budget EIA process meets these requirements.

- 2.5** The Public Sector Equality Duty (PSED) does not prevent councils from making difficult decisions such as reorganisations and relocations, redundancies, and service reductions, nor does it prevent decisions which may affect one group more than another group.
- 2.6** The duty does enable public bodies to demonstrate that they are making financial decisions in a fair, transparent and accountable way. This involves considering the needs and the rights of different members of the community, how impacts will affect them and mitigating negative impacts as fully as possible.
- 2.7** Nationally, there have been a number of successful legal challenges to funding decisions because public authorities have failed to show such consideration. In such cases, the public authority may have to start the decision-making process again, with improved consultation and evidence-gathering to identify the impact on particular groups.

*“Even when the context of decision-making is financial resources in a tight budget, that does not excuse compliance with the PSEDs [Public Sector Equality Duties], and there is much to be said for the proposition that even in straitened times the need for clear, well informed decision-making when assessing the impacts on less advantaged members of society is as great, if not greater.”*

Blake J in R (Rahman) v Birmingham City Council  
[2011] EWHC 944 (Admin)

### **3. National context**

- 3.1** The budget proposals are being developed within the context of ongoing reduced public funding to local government.
- 3.2** Key national issues that may have an equalities impact include:
- austerity measures which are resulting in reductions in public expenditure across most of public services;
  - the national welfare reforms; and
  - reforms to adult social care and health.

### **4. Local context**

- 4.1** The council’s corporate priorities are detailed in the [Corporate Plan](#):
- Tackling inequality;
  - Creating a more sustainable city;
  - Engaging people who live and work in the city;
  - Modernising the Council.

#### **4.2 Relevant local priorities and context includes:**

- Substantial proactive work to support financial inclusion;
- A collaborative approach across the council to help mitigate the impacts of welfare reform where possible;
- Close partnership working across social care and health both for children's services and adults'; and
- A strong focus on improving educational attainment and opportunities for access to employment for our young people.

### **5. Brighton & Hove City Council Approach and Process**

- 5.1** The council uses a Budget EIA process to identify the main potential disproportionate impacts arising because of people's protected characteristics and on child poverty. Where relevant they draw on existing service EIAs.
- 5.2** The aims of an Equality Impact Assessment become especially important at times of straitened budgets, enabling us to:
- think about what the council is trying to achieve;
  - consider what impact the decision will have on different groups;
  - target resources to those who are most vulnerable;
  - fund services which respond to people's diverse needs;
  - save money by getting it right first time.
- 5.3** Service leads completed EIAs on budget proposals where the proposed changes potentially impact on service provision. The document presented to Members lists all the disproportionate impacts on groups because of their protected characteristic. It also identifies the planned actions to mitigate negative impacts.
- 5.4** A consultation event will be held in December with community and voluntary sector groups, hosted by Community Works, and feedback will either be incorporated into the relevant EIA and/or be responded to directly by managers.
- 5.5** All the EIAs have been reviewed by the Communities, Equality and Third Sector Team and discussed by the Executive Leadership Team to consider overall impacts and ensure consistency.
- 5.6** The Human Resources team will be assessing the equalities impacts on staff which are known at this stage and EIA templates will be completed for all proposals affecting staff. This process will continue through staff consultation processes to enable staff to raise specific or additional issues.
- 5.7** Since the equality duty is a continuing duty which must be complied with when implementing and reviewing a decision, assessment of equality impacts and responses to them will continue after budget decisions are agreed. Data from these EIAs will also be shared with relevant managers, to enable them to

identify the best ways to implement the decisions to minimise negative or disproportionate impacts on legally protected and socially excluded groups.

## **6. Impacts identified across all proposals**

- 6.1** The EIA process and consultation have been based on identifying whether or not impacts are likely to be different for a person because of their protected characteristic (with a focus on where impacts may be worse) and if so, list the proposed mitigating actions
- 6.2** There has also been an overall assessment of:
- the impact of funding changes from one service on another across the council (cumulative impacts);
  - consideration of what mitigating actions can be taken, and how we can monitor, evaluate and take action on impacts which may occur.
- 6.3** The overall assessment is that there is no evidence across the EIAs of discrimination in the Budget proposals.
- 6.4** However, the EIAs do highlight concerns about the council's ability to achieve our Corporate Plan objective of 'tackling inequality' in service delivery and particular attention has been given in relation to the impact of proposals on disabled staff. Therefore we have identified key activities to ensure continued progress against this aim. More details are below.

## **7. Service-Users: Identified Cumulative Impacts and Proposed Mitigating Actions**

- 7.1** The EIA template highlights where officers identify a cumulative impact linked to other services or the wider local/national context. The Communities, Equality and Third Sector team has also considered all the EIAs to assess where groups may be impacted by more than one change across the council.
- 7.2** Impacts are identified across a number of budget proposals for the following protected characteristics:
- Disability
  - Age – older and younger people
  - Gender - women
  - Child poverty
- 7.3** These are the result of proposed changes to a number of services targeted towards these groups. Specific actions to mitigate impacts arising from each proposal are defined within the relevant EIAs. In addition council-wide mitigating actions are detailed below.

## **7.4 Cumulative impacts and proposed mitigating actions identified from EIAs:**

- 7.4.1 Statutory provision:** Services will maintain this to protect the most vulnerable, but there is likely to be reduction in support for some people with resulting impacts on their care, independence and support, and consequent impacts on their carers.
- 7.4.2 Assessments:** Services which use assessments will ensure that these are used before any changes are made, so specific needs can be targeted and efficient and effective services provided. This also requires communication of this process to service-users, carers and relevant Community and Voluntary Sector groups.
- 7.4.3 Commissioning:** Making this more efficient and cost effective to maintain quality while targeting services better. In order to ensure compliance with the equality duty, equalities requirements must be built into commissioning processes and contracts to ensure that diverse needs are appropriately identified, addressed and monitored.
- 7.4.4 Communicating Changes:** Ensuring that service-users, carers, families, relevant CVS groups and other partners are aware of changes so that transitions, especially for the most vulnerable, are understood and managed as well as possible. All groups must receive information in ways which are appropriate and accessible.
- 7.4.5 Priority Groups:** Funding is reducing for some mainstream/open activities, while there is an increased focus on targeted priority groups and earlier interventions. This often builds on work done previously to widen mainstream activities to make them more accessible and inclusive for everyone. This approach requires that equalities monitoring and knowledge of communities is extremely robust so that changes in the city and/or need are identified and addressed.
- 7.4.6 Pressures on Third Sector (CVS):** Proposals include reductions in the Discretionary Grant programme and commissioning (including infrastructure support), and reductions in charitable rate relief. All of these proposals combine within a wider context of reducing national funding and increasing demand for CVS services. The combined impacts will be considerable.
- 7.4.7 Fees and Charges:** A number of proposals involve increasing fees/charges and/or charging for previously free services. Though often the increase in each charge is small, the cumulative impact for people affected by multiple increases can be significant. This can have a specific impact on people who are already struggling financially. This is clearly an issue of poverty, but also affects the legally protected characteristics of gender (95% of lone parents are women and women are more likely to be in part-time or lower paid work), disability (though some EIAs offer some protections to disabled people, their carers may still experience additional costs), and ethnicity (some BME communities are more likely to experience poverty). Services are planning to

use exemptions and concessions to reduce impacts on people who will experience most disadvantage/exclusion.

**7.4.8 Consultation:** A number of EIAs propose further consultation on how their proposals are implemented. These must ensure that the views of all affected groups are taken into account and opportunities are created in the consultation process for diverse communities to participate. Results of the consultations and agreed changes must be widely advertised.

**7.4.9 Partnership Working:** Closer and more efficient partnerships internally between council services and also with outside statutory and CVS partners is proposed to fill gaps and to increase efficiency. For many services, this approach will build on existing strong working relationships. It will require creative approaches to joint working, and sharing information and practices, and possibly funding.

**7.4.10 Volunteering:** Some proposals plan to encourage residents to volunteer and take over some activities. This supports a community empowerment approach and recognises the value of community assets (physical resources and skills/time). However, not all communities have equal assets or the ability to mobilise them without (at least initial) support. Equally, groups which take on the role of providing community services must ensure that they remain open, accessible and inclusive to all the diverse communities eligible to use them – or risk excluding people and damaging community cohesion.

**7.4.11 Welfare Reform:** Ongoing national changes to the welfare system and an overall reduction of that budget have required significant changes locally. The impact has been that many claimants have experienced reductions in benefits received or no inflationary increases, within a context of rising living costs (utilities and food prices) and high housing costs relative to income. Some groups experience these pressures more severely than others.

**7.4.12 ‘Channel Shift’:** Some proposals are encouraging service-users to access services online, providing the opportunity for significant cost savings for the council and greater convenience for some residents. However, some groups are less likely to have access to ICT at home, or lack the skills to access services online. Where proposals include ‘channel shift’, this must be matched by an ongoing commitment to provide face-to-face contact for people who still require it, and to use some of the resource savings to fund this.

## **7.5 Other mitigating actions**

**7.5.1** It is important to note that existing council equalities approaches such as Equality Impact Assessment and actions from the council’s Equality and Inclusion Policy will be a critical part of minimising or avoiding negative impacts on specific groups protected in law. Also, needs assessments and actions from them (such as the Joint Strategic Needs Assessment, current work focused on Black and Minority Ethnic communities and the Trans

community) will enable better understanding of communities and their access to and outcomes from services, helping us to identify and respond to needs more effectively.

- 7.5.2** Regular equalities monitoring and analysis to evaluate trends and identify actions, and robust equality impact assessment which actively engages stakeholders are fundamental to meeting our legal duties and corporate commitments. Senior managers will continue to have responsibility for overseeing this as decisions are made and service changes take place.

<b>Subject:</b>	<b>Targeted Budget Management (TBM) 2014/15 Month 7</b>		
<b>Date:</b>	<b>4 December 2014</b>		
<b>Report of:</b>	<b>Executive Director of Finance &amp; Resources</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Jeff Coates</b>	<b>Tel: 29-2364</b>
	<b>Email:</b>	<b>jeff.coates@brighton-hove.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

Note: The special circumstances for non-compliance with Council Procedure Rule 3, Access to Information Procedure Rule 5 and Section 100B(4) of the Local Government Act 1972 (as amended), (items not considered unless the agenda is open to inspection at least five days in advance of the meeting) were that some of the key financial information was not available at the time of publication.

**1 SUMMARY AND POLICY CONTEXT:**

- 1.1 The Targeted Budget Monitoring (TBM) report is a key component of the council's overall performance monitoring and control framework. This report sets out the forecast outturn position as at Month 7 on the council's revenue and capital budgets for the financial year 2014/15.
- 1.2 The TBM Month 5 forecast indicated significant potential pressures and forecast overspending. Month 7 shows an improvement to the position overall at just past the mid-point of the year but there remain significant pressures and forecast risks to manage across the General Fund Revenue Budget.

**2 RECOMMENDATIONS:**

- 2.1 That the Committee note the forecast outturn position for the General Fund, which is an overspend of £4.368m. This consists of £4.052m on council controlled budgets and £0.316m on the council's share of the NHS managed Section 75 services.
- 2.2 That the Committee note that there is a further £1.890m of as yet unallocated risk provision that could be used to mitigate against this overspend.
- 2.3 That the Committee note the forecast outturn for the Housing Revenue Account (HRA), which is an underspend of £0.156m.
- 2.4 That the Committee note the forecast outturn position for the Dedicated Schools Grant which is an underspend of £1.115m.
- 2.5 That the Committee note the forecast outturn position on the capital programme.



- 2.6 That the Committee approve the capital programme variations and reprofiles in Appendix 3 and new capital schemes in Appendix 4 .

### 3 RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

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

- 3.1 The TBM framework focuses on identifying and managing financial risks on a regular basis throughout the year. This is applied at all levels of the organisation from Budget Managers through to Policy & Resources Committee. Services monitor their TBM position on a monthly or quarterly basis depending on the size, complexity or risks apparent within a budget area. TBM therefore operates on a risk-based approach, paying particular attention to mitigation of growing cost pressures, demands or overspending together with more regular monitoring of high risk 'corporate critical' areas as detailed below.
- 3.2 The TBM report is normally split into 8 sections as follows:
- i) General Fund Revenue Budget Performance
  - ii) Housing Revenue Account (HRA) Performance
  - iii) Dedicated Schools Grant (DSG) Performance
  - iv) NHS Controlled S75 Partnership Performance
  - v) Capital Investment Programme Performance
  - vi) Capital Programme Changes
  - vii) Implications for the Medium Term Financial Strategy (MTFS)
  - viii) Comments of the Director of Finance (statutory S151 officer)

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

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

Forecast Variance Month 5 £'000		2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
	<b>Directorate</b>				
1,226	Children's Services	57,603	58,262	659	1.1%
4,078	Adult Services	63,857	67,411	3,554	5.6%
(201)	Environment, Development & Housing	41,862	42,191	329	0.8%
210	Assistant Chief Executive	17,362	17,594	232	1.3%
0	Public Health (incl. Community Safety & Public Protection)	4,558	4,530	(28)	-0.6%
(442)	Finance, Resources & Law	31,710	31,038	(672)	-2.1%
4,871	Sub Total	216,952	221,026	4,074	1.9%
148	Corporate Budgets	3,613	3,591	(22)	-0.6%
5,019	Total Council Controlled Budgets	220,565	224,617	4,052	1.8%

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

#### Corporate Critical Budgets

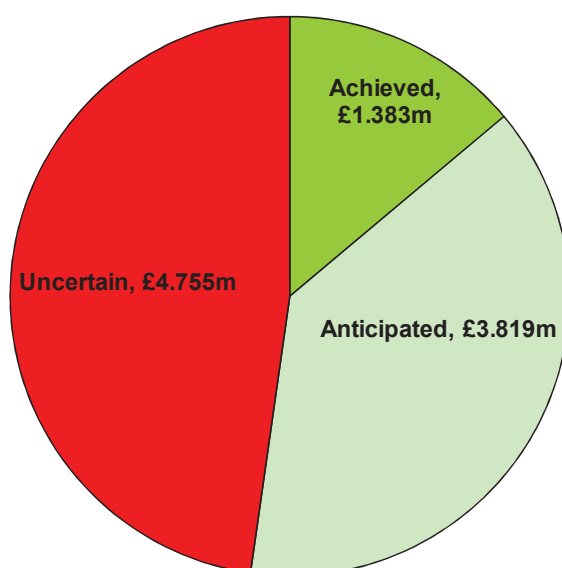
- 3.5 There are a number of budgets that carry potentially higher financial risks and therefore could have a material impact on the council's overall financial position. These are significant budgets where demand or activity is difficult to predict and where relatively small changes in demand can have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

Forecast Variance Month 5 £'000		2014/15 Budget Month 7 £'000	Provisional Outturn Month 7 £'000	Provisional Variance Month 7 £'000	Provisional Variance Month 7 %
	<b>Corporate Critical</b>				
1,610	Child Agency & In House	19,515	21,141	1,626	8.3%
2,452	Community Care	41,145	43,922	2,777	6.7%
(330)	Sustainable Transport	(16,325)	(16,575)	(250)	-1.5%
(227)	Temporary Accommodation	1,592	1,441	(151)	-9.5%
(485)	Housing Benefits	(613)	(813)	(200)	-32.6%
3,020	Total Council Controlled	45,314	49,116	3,802	8.4%

#### Value for Money (VfM) Programme (Appendix 2)

- 3.6 Policy & Resources Committee received a report on the next stage of the council's Value for Money Programme (Phase 4) at the committee's June meeting. The savings and resources attached to Phase 4 for future years are being refined as part of the budget setting process although some part-year savings are expected in 2014/15. In the meantime, current Phase 3 VfM projects will continue with the savings targets identified and approved by Council as part of the 2014/15 budget.
- 3.7 VfM projects generally carry significant risks and may need specialist advice or skills that can be in short supply or they may need to navigate complex procurement or legal processes. Therefore, each month the TBM report quantifies progress in terms of those savings that have been achieved, those that are anticipated to be achieved (i.e. low risk) and those that remain uncertain (i.e. higher risk). The chart below shows that there is continuing risk in relation to social care related VfM workstreams. More detail is provided in Appendix 2.

## Value for Money Programme (All Phases) - 2014/15 Monitoring



VfM Target 2014/15 = £9.917m

## Housing Revenue Account Performance (Appendix 1)

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

Forecast Variance Month 5 £'000		2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 12 %
	<b>HRA</b>				
(256)	Expenditure	58,946	59,329	383	0.6%
9	Income	(58,946)	(58,885)	61	0.1%
<b>(247)</b>	<b>Net Expenditure</b>	<b>0</b>	<b>444</b>	<b>444</b>	<b>0.0%</b>
0	Transfer from Reserves	0	(600)	(600)	
<b>(247)</b>	<b>Total</b>	<b>0</b>	<b>(156)</b>	<b>(156)</b>	

## Dedicated Schools Grant Performance (Appendix 1)

- 3.9 The Dedicated Schools Grant (DSG) is a ring-fenced grant which can only be used to fund expenditure on the schools budget. The schools budget includes elements for a range of services provided on an authority-wide basis including Early Years education

provided by the Private, Voluntary and Independent (PVI) sector, and the Individual Schools Budget (ISB) which is divided into a budget share for each maintained school. The current forecast is an underspend of £1.115m and more details are provided in Appendix 1. Under the Schools Finance Regulations any underspend must be carried forward to support the schools budget in future years.

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

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

Month 5 Forecast Variance £'000		2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
	<b>Section 75</b>				
200	NHS Trust managed S75 Services	11,951	12,267	316	2.6%

### Capital Programme Performance and Changes

- 3.12 The table below provides a summary of capital programme performance by Directorate and shows that there is an overall underspend of £0.588m forecasted at this stage.

Forecast Variance Month 5 £'000		2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
	<b>Capital Budgets</b>				
0	Children's Services	19,961	19,961	0	0.0%
0	Adult Services	628	628	0	0.0%
0	Environment, Development & Housing - General Fund	23,596	23,596	0	0.0%
332	Environment, Development & Housing - HRA	30,989	30,401	(588)	-1.9%
0	Assistant Chief Executive	12,770	12,770	0	0.0%
0	Public Health	447	447	0	0.0%
0	Finance, Resources & Law	9,295	9,295	0	0.0%
0	Corporate Services	25	25	0	0.0%
332	Total Capital	97,711	97,123	(588)	-0.6%

- 3.13 Appendix 3 shows the changes to the budget and Appendix 4 provides details of new schemes to be added to the capital programme which are included in the budget figures above. Policy & Resources Committee's approval for these changes is required under the council's Financial Regulations. The following table shows the movement in the capital budget since approval in the Month 5 report.

<b>Capital Budget Summary</b>	2014/15 Budget £'000
Budget Approved at Month 5	103,911
Reported at other Policy & Resources committees since Month 5	0
New schemes to be approved in this report (see Appendix 4)	228
Variations (to be approved - see Appendix 3)	(73)
Reprofiles (to be approved - see Appendix 3)	(6,056)
Slippage (to be approved - see Appendix 3)	(299)
<b>Total Capital Budget</b>	<b>97,711</b>

- 3.14 Appendix 3 also details any slippage into next year. In total, project managers have forecast that £0.299m of the capital budget may slip into the next financial year and this equates to 0.31% of the budget.

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

- 3.15 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.
- 3.16 Details of risk provisions currently held are given in the Corporate Budgets section of Appendix 1. At this stage of the year no further risk provisions are recommended to be deployed as mitigating actions and recovery plans need to be implemented before re-assessing the financial position and the level of forecast risk.

### Capital Receipts Performance

- 3.17 Capital receipts are used to support the capital programme. Any changes to the level of receipts during the year will impact on future years' capital programmes and may impact on the level of future investment for corporate funds and projects such as the Strategic Investment Fund, Asset Management Fund, ICT Fund and the Workstyles VFM projects. The planned profile of capital receipts for 2014/15, as at Month 07, is £7.208m against which there have been receipts of £0.979m in relation to the disposal of 18 Market Street, a deposit for the Preston Barracks project, a lease extension at Warren Way, a number of minor lease extensions at the Marina and the repayment of improvement grants.

- 3.18 The forecast for the 'right to buy sales' 2014/15 (after allowable costs, repayment of housing debt and forecast receipt to central government) is that an estimated 60 homes will be sold with a maximum useable receipt of £0.474m to fund the corporate capital programme and net retained receipts of £2.727m are available to re-invest in replacement homes. To date 31 homes have been sold in 2014/15.

#### Collection Fund Performance

- 3.19 The collection fund is a separate account for transactions in relation to council tax and business rates. Any deficit or surplus forecast on the collection fund relating to council tax is distributed between the council, Sussex Police and East Sussex Fire Authority whereas any forecast deficit or surplus relating to business rates is shared between, the council, government and East Sussex Fire Authority.

The collection fund surplus position at 31st March 2014 on council tax was £1.925m and the council's share of this was £1.644m. This was £0.243m lower than anticipated when setting the 2014/15 budget. However it is estimated that increased council tax income in the current financial year will offset this shortfall and therefore a break even position is currently forecast for 31st March 2015.

- 3.20 The council's share of the surplus on the collection fund for business rates at 31 March 2014 was £1.590m after taking into account the repayment of Safety Net Grant. These resources will be available when setting the 2015/16 budget. The 2014/15 business rates income assumption included projected growth of 0.5% in rateable value as well as a further 1.0% increase through a review of the register. On the basis of the information available so far in this financial year the position is in line with expectations. However this remains a difficult area to predict with great certainty.

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

- 4.1 The provisional outturn position on council controlled budgets is an overspend of £4.052m. In addition, the council's share of the forecast overspend on NHS managed Section 75 services is £0.316m. Any overspend at the year end will need to be funded from general reserves which would then need to be replenished to ensure that the working balance did not remain below £9.000m. Any underspend would release one off resources that can be used to aid budget planning for 2014/15.

#### **5 COMMUNITY ENGAGEMENT AND CONSULTATION**

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

#### **6 CONCLUSION AND COMMENTS OF THE DIRECTOR OF FINANCE (S151 OFFICER)**

- 6.1 The Month 7 position, although improved, still shows a significant level of forecast financial risk that must be urgently attended to, particularly in relation to Adult Social Care and Children's Services. The trends on the corporate critical budgets for Community Care and for Looked After Children continue to give cause for concern. While there are some mitigating actions and recovery plans in place it is not clear that these will make sufficient impact on the forecast risk to ensure a break even position at year end.

- 6.2 The Executive Leadership Team (ELT) will keep the position under close scrutiny and will take appropriate action to reduce spending, manage vacancies and develop financial recovery plans where necessary.

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

### Financial Implications:

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

*Finance Officer Consulted: Jeff Coates*

*Date: 18/11/2014*

### Legal Implications:

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

*Lawyer Consulted: Oliver Dixon*

*Date: 18/11/2014*

### Equalities Implications:

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

### Sustainability Implications:

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

### Risk and Opportunity Management Implications:

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



## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Revenue Budget Performance
2. Value for Money Programme Performance
3. Capital Programme Performance
4. New Capital Schemes

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

None.

### **Background Documents**

None.



Children's Services - Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Director of Children's Services	230	230	0	0.0%
38	Education & Inclusion	3,816	3,754	(62)	-1.6%
202	SEN & Disability	7,129	7,258	129	1.8%
1,322 (336)	Children's Health, Safeguarding and Care Stronger Families, Youth & Communities	36,758 9,670	38,180 8,840	1,422 (830)	3.9% -8.6%
1,226	Total Revenue - Children	57,603	58,262	659	1.1%

Explanation of Key Variances

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
<b>Education &amp; Inclusion</b>			
(10)	Home to School Transport	The underspend of <b>£0.10m</b> reflects the latest numbers of children being transported (433). A detailed analysis has been undertaken with the budget holder for each area of the budget and the latest position reflects the estimated outturn position. The position regarding independent travel needs to be monitored closely as any further reductions in numbers will impact on the overall forecast.	
(52)	Other	Minor underspend variances.	Within this saving £0.013m relates to use of DSG and has been reflected in the 2015/16 additional savings proposals.

## Appendix 1 – Revenue Budget Performance

Key Variations £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
<b>SEN &amp; Disability</b>			
136	Corporate Critical Disability Agency Placements	The anticipated number of disability placements is 18.00 FTE. The average general fund unit cost of these placements is £1,884.17 following additional DSG contributions to residential placements. The number of placements is 4.50 FTE above the budgeted level, with the average weekly cost now being £378.41 lower than the budgeted level. The combination of these two factors together with the underspend of £0.040m on respite placements, results in an overspend of <b>£0.136m</b> .	
31	Direct Payments	This initial outturn estimate for Direct Payments - Disabled Children, indicated an overspend of approximately <b>£0.130m</b> . This figure has been adjusted down to an overspend of approx. <b>£0.031m</b> following a review of current agreed packages by the Head of Service. Finance will continue to liaise closely with the budget holder with a view to ensuring that an up to date projection based on current agreed cases is provided.	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible
11	Preventive Payments	This current estimate based on expenditure in months 1 to 7 and taking into account the 2013/14 outturn indicates, for Preventive Payments – Disabled Children, an overspend of approximately <b>£0.011m</b> . This area will need to be monitored closely on a monthly basis as it is subject to a significant element of variation dependent on identified need. Finance will liaise with the budget holder with a view to ensuring that an up to date projection based on current agreed cases is provided monthly.	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible
(49)	Other	Minor underspend variances	
<b>Children's Health, Safeguarding &amp; Care</b>			
1,590	Corporate Critical - Children's Agency Placements	The projected number of residential placements (31.24 FTE) is broken down as 26.65 FTE social care residential placements (children's homes), 4.25 FTE schools placements, 0.33 FTE family assessment placements and 0.00 FTE substance misuse rehabilitation placements. The budget allowed for 21.20 FTE	The Children's Services Value for Money (VfM) programme has two workstreams: <ul style="list-style-type: none"> <li>The VfM Early Help Workstream</li> </ul>

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
		<p>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 costs of these placements is £158.65 per week below the budgeted level, with the most significant unit cost saving in residential homes. Overall the number of placements are 3.29 FTE above the budgeted level, and this combined with the unit cost savings described above result in an overspend of <b>£0.248m</b>.</p> <p>The numbers of children placed in independent foster agency (IFA) placements began to fall during 2012/13 and that trend continued in the early months of 2013/14, however, since then numbers have started to increase. During 2013/14 there were 165.76 FTE placements but the current projected number of placements in 2014/15 is 178.64 FTE, an increase of 7.8%. The budget for IFA placements was based on the falling trend of the previous two years and was set at 135.80 FTE which is being exceeded by 42.84 FTE placements resulting in an overspend of <b>£1.286m</b>.</p> <p>During 2014/15 it is estimated that there will be 1.76 FTE secure (welfare) placements and 1.38 FTE secure (justice) placements. The budget allowed for 1.00 FTE welfare and 0.75 FTE justice placements during the year. There are currently 2 children in a secure (welfare) placement and one in a secure (criminal) placement resulting in a projected overspend of <b>£0.056m</b>.</p>	<p>objective is to deliver, review and rationalise evidence based early help services to reduce the need for specialist interventions. Key initiatives include:</p> <ul style="list-style-type: none"> <li>developing Early Help Hub to create a single integrated system for identification, referral, assessment, delivery and monitoring of effective early help interventions.</li> <li>delivering evidence based interventions (such as family coaching by Stronger Families Stronger Communities, Functional Family Therapy, Family Nurse Partnership, Triple P)</li> <li>The VfM Placement Workstream objective is to strengthen social work systems so that care plans for individual children can be delivered by lower cost interventions and placements and/or by reducing the time children require statutory interventions. Key initiatives include: <ul style="list-style-type: none"> <li>developing Multi Agency Safeguarding Hub to ensure appropriate and timely</li> </ul> </li> </ul>

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
			<p>response to safeguarding concerns</p> <ul style="list-style-type: none"> <li>strengthening social work transformational programme including developing a clear practice model</li> <li>strengthening pre-proceedings work by social work/legal/Clermont Family Assessment Centre to prevent care proceedings</li> </ul> <p>As part of both workstreams, changes in commissioning arrangements/service redesign are being identified and implemented including working with partners in their approaches to commissioning for vulnerable adults who are parents.</p> <p>In addition, a task &amp; finish group is set up to review and strengthen Special Education Needs (SEN)/Disability services</p>
(82)	Corporate Critical-In House Foster Payments	As part of the children's VFM programme, there is an ongoing attempt to increase the recruitment of in-house foster carers. This has not progressed as well as anticipated and currently there are 30.39 FTE less children placed than allowed in the budget. However, there are considerably more children placed with family and friends carers or under special guardianship orders than anticipated in the budget and the combination of these factors results in a projected underspend of <b>£0.082m</b> in	

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
(18)	Corporate Critical 16+Services	in-house placements. 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 allows for 53.65 FTE young people and currently the projection is based on 54.41 FTE young people. However, the average unit cost of accommodation is projected to be £44.43 lower than allowed in the budget resulting in an underspend on accommodation costs. The non-accommodation costs, conversely are currently anticipated to overspend the budget by £0.096m resulting in an overall underspend of <b>£0.018m</b> .	The new joint commissioning arrangements between children's services and Housing start in June and it is anticipated that the new robust commissioning of placements, work on reducing the numbers of young people being accommodated and more rigorous monitoring of non-accommodation budgets will reduce the overspend.
(146)	Social Work Teams	The projected Social Work Teams underspend of <b>£0.146m</b> reflects the outcome of the SW teams restructure and the revised final cost of the MASH premises. At this stage we are closely monitoring projected outturn against the anticipated 2014/15 savings within the teams - pending further discussion regarding the potential for additional capital contribution to the additional cost attached to the MASH premises . We will continue to undertake detailed monthly analysis of these areas to ensure that we're aware at the earliest stage as to any movement from the projected underspend position.	
(80)	Legal Fees	Lower expenditure in the year to date suggests an underspend of <b>£0.080m</b> on Legal, Counsel and Court Fees.	
(20)	Adoption Services	The government have instituted a number of changes and new requirements for the adoption service. The increase in both the number and cost of inter-agency adoptions has resulted in a significant increase in the levels of spend. This has been funded this year by carry forward of the unspent element of the Adoption Reform Grant (ARG) The underspend of <b>£0.020m</b> relates to regular adoption support payments and allowances for which numbers are currently slightly below budgeted levels.	
204	Section 17 Preventive	Most of this overspend ( <b>£0.161m</b> ) relates to the increased costs of the housing recharge for homeless families due to a rise in	Costs will be monitored closely over the year and efforts made to reduce



## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
		the number of families needing accommodation. There has also been an increase in expenditure charged to the No Recourse to Public Funds budget leading to a pressure of £0.047m. There are other minor underspends of £0.004m.	costs or identify mitigating savings to bring these budgets back in balance where possible.
148	Support Through Care Team	The overspend relates predominantly to the use of locum social workers. Due to the increase in the number of children in care, it was felt necessary, in order to maintain a safe level of service to increase the number of social workers in this team. As this was deemed a crisis and recruitment procedures were unable to meet the demand a number of locum social workers have been engaged. The restructure of social work services has increased the establishment in this team resulting in a considerable reduction in the overspend reported in previous months. This budget has now been combined with the 14+ Team.	This overspend has been reduced following agreement of the social work restructure which increases the social work establishment in the Support Through Care Team, enabling additional recruitment which should result in the cessation of the use of locums.
(113)	Contact Supervision	The underspend in this service is predominantly due to the use of sessional staff being considerably less than anticipated in the budget. In addition there is a smaller underspend in the car mileage budget, which also reflects the more efficient use of resources than was anticipated in the budget.	
(61)	Other	Minor underspend variances.	
<b>Stronger Families, Youth &amp; Communities</b>			
(300)	VFM Commissioning	Public Health have agreed to pick up the funding of the Family Nurse Partnership resulting in the Children's Services VFM funding of £0.240m no longer being required. Further one-off savings of £0.060m have also been identified.	The saving of £0.240m relating to the transfer of funds with Public Health has been reflected in the 2015/16 budget proposals.
(100)	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 is a vacant operations manager post and the full year effect of setting up the service part way through the year.	
(200)	Troubled Families	There was an agreed carry forward at the previous year end of £0.800m. Of this, £0.200m is no longer needed because of the	

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
		success in attracting payment by results funding. This funding has therefore been released back into the revenue budget as a one off contribution to the overall budget position.	
(90)	Early Years Inclusion Funding	Underspend due to this area now being funded from DSG.	
(140)	Other	Minor underspend variances.	

Adult Services – Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
2,867	Adults Assessment	49,258	51,974	2,716	5.5%
1,429	Adults Provider	13,807	15,210	1,403	10.2%
(218)	Commissioning & Contracts	792	227	(565)	-71.3%
4,078	Total Revenue - Adult	63,857	67,411	3,554	5.6%

Explanation of Key Variances

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
		The key variances across Adult Social Care are as detailed below:	Further plans are being developed and mitigating action is being taken to reduce these forecast overspends.
<b>Adults Assessment</b>			
see below	Assessment Services	Assessment Services are showing an overspend of £2.716m (5.5% of net budget), which is a decrease of £0.151m from Month 5. There are increased levels of complexity and need being experienced across all client groups and the overspend is broken down as follows: -	
1,432	Corporate Critical - Community Care Budget (Learning Disabilities)	Learning Disabilities are reporting a pressure of £1.432m , which is a significant increase of £0.594m from Month 5. This is largely due to a further shortfall in expected savings of £0.419m reducing out of city placements and identifying alternative accommodation options) and a thorough review of the manual commitments for clients waiting to leave hospital, leading to the expected start date being brought forward for 4 clients. There is a commitment of £0.143m for Ordinary	Increased scrutiny of all Learning Disability placements/care package requests has been put in place to assure value for money against eligible care needs across different types of placements. Focus on high cost placements and identifying low dependency placements in in house

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
		Residence claims included in the latest forecast.	units for move on.
717	Corporate Critical - Community Care Budget (Physical & Sensory Support - Under 65's)	Under 65's are reporting a pressure of £0.717m, which is a reduction of £0.144m from Month 5. There continues to be cost pressures from increased complexity in need of clients.	Increased panel scrutiny of all complex or high cost care package requests to assure value for money against eligible care needs. Where possible no placements will be made above the agreed local authority rates. The VfM Phase 4 programme includes a specific project focussing on high cost placements to reduce costs. Risk share arrangement with health is actively being pursued and the consequences on health and social care of a risk share not being in place discussed. Taskforce in place to ensure that all appropriate funding sources are identified.
628	Corporate Critical - Community Care Budget (Physical & Sensory Support -Over 65's)	Over 65's are reporting a pressure of £0.628m (an improvement of £0.124m from Month 5), of which the majority relates to the balance of unachievable previous year savings against Extra Care Housing.	As above, there will be increased scrutiny of complex or high cost care packages. An independent Extra Care business case has been commissioned to establish demand/need projections to enable ASC commissioners to work with their housing partners to identify the types of provision that will most appropriately meet the objective of reducing residential care costs. Risk share arrangement with health is actively being pursued and the consequences on health and social care of a risk share not being in place

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
			discussed. Taskforce in place to ensure that all appropriate funding sources are identified.
0	Hostel Accommodation	The main pressures on this service were covered by the service pressure funding allocation as part of the 2014/15 budget setting process so that on transfer to Adults the service is breakeven.	
(61)	Support & Intervention Teams	Minor underspend.	
<b>Adults Provider</b>			
1,403	Adults Provider	<p>Provider Services are reporting a pressure of £1.251m from unachievement 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&amp;R in July 2014. Achievement of the other savings is dependent on the commissioning review of Day Options and the Learning Disabilities accommodation review, which are on-going but have been subject to delay.</p> <p>The overspend also includes staffing pressures against Respite Services of £0.160m reflecting increased occupancy levels and the complexity and compatibility of other service users. There are other pressures across the service of £0.067m on direct employee costs and £0.022m on non pay costs which are offset by an expected contribution from health.</p>	<p>Vacancy control measures to be tightened and recruitment to posts only where this is required to ensure CQC compliance. The use of agency staff and care crew will be closely scrutinised and signed off by senior managers. This will have an impact on service delivery. It is possible that we may need to rationalise or close services as a result.</p> <p>There are ongoing discussions with Health to determine costs associated with health needs that should be funded by CCG.</p> <p>A further review of service users receiving both day services and residential care needs to be carried out.</p>

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
<b>Commissioning &amp; Contracts</b>			
(565)	Commissioning & Contracts	Older People and HIV Preventative contracts totalling £0.350m and £0.235m respectively will be funded by the Public Health Grant.	

Environment, Development & Housing - Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
(273)	Transport	(4,357)	(4,532)	(175)	4.0%
214	City Infrastructure	29,431	29,681	250	0.8%
(18)	City Regeneration	1,315	1,299	(16)	-1.2%
21	Planning & Building Control	1,961	2,006	45	2.3%
(56)	Total Non Housing Services	28,350	28,454	104	0.4%
(145)	Housing	13,512	13,737	225	1.7%
(201)	Total Revenue - Environment, Development & Housing	41,862	42,191	329	0.8%

Explanation of Key Variances:

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
<b>Transport</b> (250)	Corporate Critical – Parking Operations	<p>Overall the corporate critical parking budget is forecast to underspend by £0.250m. The main components of this are:</p> <ul style="list-style-type: none"> <li>A surplus of <b>£0.367m</b> is forecast for on-street parking income. This forecast incorporates new parking zones being introduced this financial year and an increase in year-on-year transactions estimated to be approximately 2.5%. Evidence from various major event organisers in the city, including the Brighton Festival/Fringe and Brighton Marathon, has suggested increased attendances which are</li> </ul>	<ul style="list-style-type: none"> <li>Actual income is monitored and reported on a monthly basis as part of the TBM process. There are a range of factors that can impact on parking activity and therefore any significant variations to the forecast are reported and acted upon regularly. Minor percentage variations in activity could result in significant financial implications.</li> </ul>



## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		<p>likely to increase demand for parking in the city.</p> <ul style="list-style-type: none"> <li>There is a forecast under-achievement of income of approximately <b>£0.202m</b> 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 agreement with the Thistle Hotel and a Southern Water mains sewer collapse on Black Lion Street causing access issues. These have contributed to transactions being approximately 15% less compared to this point in the last financial year. There have been some offsetting increases in transactions at other car parks.</li> <li>There is a net income shortfall of £0.631m due to income from PCNs being lower than predicted, particularly the recovery of older debt. Our approach to income collection is being reviewed as part of the Value for Money Phase 4 programme. There is also a pressure of £0.045m due to a delay in implementing new CCTV enforcement, where there have been delays in receiving approval for the required data protection enforcement security system from DfT and implementation of the required communication line.</li> <li>Surplus income of <b>£0.450m</b> is forecast from parking permits. This has been caused by increased demand, removal of waiting lists for certain permits and the expected introduction of new and extended controlled parking zones.</li> <li>An expected <b>£0.098m</b> surplus on leased car parks is forecast. Contractual arrangements in</li> </ul>	<ul style="list-style-type: none"> <li>Parking services are working with the Highways team to improve temporary signage at works by The Lanes car park to increase customer awareness and the Highways and Network Coordination team are actively pursuing Southern Water to expedite their sewer works.</li> <li>Finance are working with Parking staff to review the ongoing budget for contributing to the bad debt provision with a view to addressing this as part of a realignment of Parking budgets in the 2015/16 budget setting process.</li> <li>The service are working with the DfT and external suppliers to resolve issues surrounding the implementation of new CCTV enforcement as soon as possible.</li> </ul>

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		<p>place are expected to result in greater income than budgeted, as well as reducing unsupported borrowing costs.</p> <ul style="list-style-type: none"> <li>There is a forecast underspend of <b>£0.340m</b> on unsupported borrowing costs, where the repayment of previous years' capital programmes is reducing and new schemes have not yet begun.</li> <li>Other variances include an overspend of <b>£0.068m</b> on car park premises budgets largely due to business rates costs at Trafalgar Street car park where transitional rate relief has ended this financial year. There are also one off costs of <b>£0.035m</b> to replace security mechanisms following a change in cash collection supplier and other minor variances of <b>£0.024m</b></li> </ul>	<ul style="list-style-type: none"> <li>It is expected that the business rates pressure at Trafalgar Street will be funded in future years by reducing utility and unsupported borrowing costs. Other overspend variances are expected to be one-off costs in the current financial year. Budgets are reviewed on a regular basis to identify potential areas of offsetting underspends.</li> </ul>
75	Highways	The variance largely relates to an overspend on staffing and a pressure on professional fees for highways inspection which are not fully covered by the income received. There may also be additional costs incurred as a result of legal action.	Is it expected that the highway inspections overspend will not be an on-going pressure as these costs are likely to be recoverable in the future under a proposed highways permit scheme. The service is exploring ways of reducing the current cost of this service. The legal fees are one-off costs relating to a single case.
<b>City Infrastructure</b>			
(71)	City Infrastructure Management	There is a forecast employee underspend within this section of £0.056m where vacancies are currently being held. The City Infrastructure management section holds centralised budgets for staff training and other fees which are being managed to a forecast underspend of £0.015m.	
298	City Clean Operations	There is a forecast overspend position of £0.220m relating to the employee budget. There are a	Vacancy management, reducing overtime to minimum standards and a review of the use of

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		number of reasons for this, including costs of a temporary additional round to help the bedding in process of a service redesign (likely to continue past Christmas), additional weekend working with the introduction of the new communal recycling scheme, and a high absence rate resulting in high levels of agency recruitment. There is also a forecast £0.080m overspend on transport costs. This is due to spot hire of vehicles which are required to support additional waste collection rounds and a large number of the existing fleet requiring repairs and maintenance as they are at the end of their useful life in advance of a replacement programme.	agency staff will be put in place to reduce the variance across the remainder of the year.
37	City Parks Operations	The main reason for this is that Rottingdean mini golf course has been let at a peppercorn rent resulting in an income pressure of £0.023m and £0.005m additional costs of managing the site as a nature reserve. There are a number of minor variances within the City Parks Operations section with a forecast net overspend of £0.009m.	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.
(14)	Fleet Management	There are overspends within this section relating to vehicle maintenance and running costs but these are offset by underspends in employee and unsupported borrowing budgets resulting in a forecast net £0.014m underspend position.	
<b>City Regeneration</b>			
(1)	Head of City Regeneration	Minor underspend forecast.	
2	Economic Development	Minor overspend forecast.	
(17)	Sustainability	The forecast variance largely relates to vacancy management within the service resulting in an	

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		employee underspend of £0.025m. This is partly offset by anticipated non-recurring costs of additional support and initiatives of £0.008m.	
<b>Planning &amp; Building Control</b>			
40	Development Control	A forecast employee overspend of £0.020m is due to delays to the implementation of a service redesign and long term sick absences resulting in increased use of agency staff. There is also £0.020m of 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. Other variances are offset by over achievement of planning application fee income.	Vacancies are being held in advance of a service redesign. It is not considered appropriate to reduce expenditure on agency staff in advance of the implementation of the re-design as this would have an impact on the ability of the service to generate income. The overspend on legal costs is considered to be unavoidable and one-off.
5	Planning Strategy and Projects	Delays to the achievement of financial savings from the implementation of a service re-design.	Vacancies are being held to offset the overspend position.
<b>Housing</b>			
168	Corporate Critical - Temporary Accommodation & Allocations	Current trends reflect an increase in the number of properties being returned to landlords due to contracts ending and at the landlord's request in view of the improving property market. This has led to an increase in voids and the use of alternative spot purchase accommodation and/or more expensive leased properties. It also impacts on the ability to collect housing benefit income. At this stage, increasing costs and pressures on income including unachieved savings target of £0.287m are currently being offset by service pressure funding of £0.120m. from 2013/14 and £0.440m from 2014/15.	New properties are being acquired as soon as possible to replace those being handed back in order to manage the number of more expensive spot purchase placements. There is a potential delay in the impact of Welfare Reform on this service as eligible clients are currently awarded Discretionary Housing Payments. Costs and income are continually under review and improvements to forecasting are being developed.
0	Travellers	This budget includes £0.100m 2014/15 service pressure funding. A breakeven position is forecast subject to periodic reviews of operational	Council Officers meet with police and other agencies to review operational management and service cost implications.

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
142	Private Sector Housing	management. The further expansion of the Private Sector Licensing Scheme was projected to achieve savings in 2014/15 of £0.125m. The timetable for introducing the scheme including public consultation and decision by Members has slipped. Housing Committee, in September 2014, agreed a detailed options paper to be reported to a future meeting on extending coverage and/or widening the scope of discretionary licensing schemes in the City. In addition, there are pressures on staffing costs of £0.065m across Private Sector Housing which are being offset by underspends on non pay costs and customer receipts of £0.048m.	The timetable for consultation and decision by Members is being reviewed by the Housing Leadership Team.
(85)	Other Housing	Pressures on income of £0.007m are being offset by underspends on Direct Employees of £0.041m and non pay costs of £0.051m	

Assistant Chief Executive - Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
(5)	Communications	789	786	(3)	-0.4%
126	Royal Pavilion, Arts & Museums	3,676	3,781	105	2.9%
89	Tourism & Venues	1,581	1,714	133	8.4%
0	Libraries	5,295	5,295	0	0.0%
0	Corporate Policy & Communities	5,283	5,280	(3)	-0.1%
0	Sport & Leisure	738	738	0	0.0%
210	Total Revenue - Assistant Chief Executive	17,362	17,594	232	1.3%

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
<b>Communications</b>			
(3)	Communications	Minor underspend anticipated.	
<b>Royal Pavilion, Arts &amp; Museums</b>			
105	Royal Pavilion, Arts & Museums	Royal Pavilion & Museums are reporting an overspend of £0.105m, due mainly to a continuation of pressures against the achievement of retail income of approximately £0.100m. There are further pressures from costs incurred following the withdrawal of the catering contractor, some of which the council is expecting to recover and delays to the implementation of savings at Hove Museum.	Measures have already been implemented to improve the performance of retail, including restructuring, new products and investment in the shop. These are reflected in the latest forecast. The service is also holding recruitment to key posts relating to core conservation functions.
<b>Tourism &amp; Venues</b>			
133	Tourism &	The closure of Hove Centre on 24 <sup>th</sup> December 2014 is	All expenditure at Hove Centre is



## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
	Venues	<p>forecast to result in a reduction in budgeted hire fees from both external and internal hirers of £0.129m. Employee savings from the closure will however reduce the impact of this to £0.065m.</p> <p>Tourism are forecasting a pressure of £0.026m from reduced sales commissions.</p> <p>The latest forecast includes a revenue contribution to capital of £0.042m to cover the outstanding final account in relation to Brighton Centre frontage works.</p>	under review for the remaining 2 months of operation. There may be savings in other areas of the service to help offset this shortfall.
<b>Libraries</b>			
0	Libraries	Break-even position forecast at Month 7.	
<b>Corporate Policy &amp; Communities</b>			
(3)	Corporate Policy & Communities	Minor underspend anticipated.	
<b>Sport &amp; Leisure</b>			
0	Sport & leisure	Break-even position forecast at Month 7.	



## Appendix 1 – Revenue Budget Performance

### Public Health (incl. Community Safety and Public Protection) – Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Public Health	607	607	0	0.0%
0	Community Safety	1,448	1,448	0	0.0%
0	Public Protection	2,325	2,297	(28)	-1.2%
0	Civil Contingencies	178	178	0	0.0%
0	Total Revenue - Public Health	4,558	4,530	(28)	-0.6%

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
0	Public Health	<p>The ring fenced public health grant is £18.695m (an increase of £0.510m from last year) for 2014-2015. In 2013-2014 an amount of £0.576m was carried forward as part of a public health reserve, mainly a result of unanticipated sexual health underspend. The latest spending plans for 2014-15 indicate that there will be an underspend of approximately £0.500m, which includes £0.200m as a result of several senior members of staff moving on from B&amp;H Public Health and the balance from a review of contract spend.</p> <p>Public Health have already agreed to fund the Family Nurse Partnership in Children's Services (£0.240m) and HIV Preventative contracts in Adult Services (£0.245m) on a recurrent basis and Older People's preventative contracts ( £0.350m in 2014/15) Spending plans are being formulated to address the remaining underspend of £0.500m to ensure that the underspend (both non-recurrent and</p>	

# Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		recurrent) is used appropriately for council services that can be delivered with clear public health benefits.	
<b>Community Safety</b>			
0	Community Safety	Break-even position forecast at Month 7.	
<b>Public Protection</b>			
(28)	Public protection	An underspend of £0.028m is forecast. Vacant posts are held pending 2015-16 budget setting and anticipated staffing changes. Income from fees is on target, but there has also been unforeseen, non-recurring income from provision of air quality expertise to a neighbouring district council. These factors are helping to offset overspends in relation to one-off costs of site investigations of contaminated land and increased cost of external animal welfare provision	
<b>Civil Contingencies</b>			
0	Civil Contingencies	Break-even position forecast at Month 7.	

Resources & Finance and Law - Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
230	City Services	7,733	7,737	4	0.1%
(485)	Housing Benefit Subsidy	(613)	(813)	(200)	-32.6%
73	HR & Organisational Development	3,667	3,740	73	2.0%
0	ICT	6,720	6,720	0	0.0%
(190)	Property & Design	4,464	4,134	(330)	-7.4%
(60)	Finance	6,282	6,073	(209)	-3.3%
0	Performance, Improvement & Programmes	481	481	0	0.0%
(10)	Legal & Democratic Services	2,976	2,966	(10)	-0.3%
(442)	Total Revenue - Resources & Finance	31,710	31,038	(672)	-2.1%

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
<b>City Services</b>			
(6)	Revenues & Benefits	Vacancy management within the service has identified new underspends this month of £0.043m, with other underspends in Council tax initiatives (approx. £0.081m) and computer maintenance costs (£0.029m). Also this month the service is reporting that Discretionary Payments are likely to be less than expected, by approximately £0.018m. This is mostly offset by an expected underachievement in	

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		the recovery of income of about £0.145m, largely brought about by a transitional period whilst new bailiff legislation takes effect. Other variances account for a net overspend of £0.020m.	
0	Life Events	The approval of the fees and charges report at Policy & Resources Committee last month has reduced the estimated underachievement of Bereavement Services and Registrar's income to £0.139m. This is further offset by expected overachievements in Land Charges fee income of £0.064m and various other income gains of £0.024m. Elsewhere in the service, vacancy management should result in an underspend of some £0.031m, with other variances netting off to an underspend of £0.020m, due mostly to anticipated lower maintenance costs this year at the Crematorium.	
10	Standards & Complaints	A forecast overspend of £0.010m, relating to staffing costs, including agency and maternity cover.	
<b>Housing Benefit Subsidy</b>			
(200)	Corporate Critical - Housing Benefit Subsidy	At this stage a break even position is reported on the rent allowance and rent rebate subsidy budgets. A surplus of £0.200m is estimated in respect of the recovery of former Council Tax Benefit overpayments.	

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
<b>HR &amp; Organisational Development</b>			
73	HR & Organisational Development	A projected £0.073m overspend has been reported within the service. This is due to a gap between the cost of the current level of full-time corporate release for union activities and the available budget.	This corporate budget pressure is currently being reviewed.
<b>ICT</b>			
0	ICT	Break even position forecast as at Month 7.	The one off funding received has offset some of the shortfall in the contracts budget but there are still budget pressures in other areas. These pressures should be offset by savings on other budget lines.
<b>Property &amp; Design</b>			
(330)	Property & Design	A stop on planned maintenance works totalling £0.149m has been agreed to help the current Council TBM overspend and this has been included in projections Also additional NNDR refunds have been negotiated and included in this forecast. The commercial rent forecasts within Property & Design are being maintained with income collection performing well for the rental properties on the high street.	
<b>Finance</b>			
(209)	Finance	The forecast for Financial Services, Procurement & Audit is an underspend of £0.209m, of which £0.111m is within the Audit Service. This is a non-recurrent saving because some of the staff from the Corporate Fraud team have transferred to the Department of Works & Pensions (DWP) on 1 <sup>st</sup> October 2014 under the Single Fraud Investigation Service (SFIS) but there is no	

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		corresponding reduction to the council's Housing Benefit Administration Grant funding until 2015/16. The remaining £0.098m is from vacancy control within the Financial Services area.	
<b>Performance &amp; Improvement</b>			
0	Performance, Improvement & Programmes	Break even position forecast as at Month 7.	
<b>Legal &amp; Democratic Services</b>			
(10)	Legal & Democratic Services	An underspend of £0.010m in respect of Democratic Services budgets.	

Corporate Budgets - Revenue Budget Summary

Forecast Variance Month 5 £'000	Service	2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Bulk Insurance Premia	0	(130)	(130)	0.0%
(110)	Concessionary Fares	10,615	10,505	(110)	-1.0%
0	Capital Financing Costs	8,904	8,904	0	0.0%
0	Levies & Precepts	161	161	0	0.0%
0	Corporate VfM Savings	(44)	(84)	(40)	-90.9%
0	Risk Provisions	2,734	2,734	0	0.0%
258	Other Corporate Items	(18,757)	(18,499)	258	1.4%
148	Total Revenue - Corporate Budgets	3,613	3,591	(22)	-0.6%

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
<b>Bulk Insurance Premia</b>			
(130)	Bulk Insurance Premia	The underspend has arisen from a reduced cost in claims to date.	
<b>Concessionary Fares</b>			
(110)	Concessionary Fares	Underspend as a result of conclusion of negotiations on fixed deal arrangements with Brighton & Hove Buses and Stagecoach.	
<b>Capital Financing Costs</b>			
0	Capital Financing Costs	The Financing Costs budget is expected to break even. Within the budget there is a saving generated by delaying long term borrowing, which is offsetting a pressure caused by lower cash balances for	



## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
		investment, and higher expectations of short term borrowing to fund cashflows. Long term borrowing has been delayed in order to reduce the pressure caused by the difference between borrowing and investment rates.	
<b>Corporate VFM Projects</b>			
(40)	Corporate VFM Projects	The savings associated with the Third Party Spend corporate VFM project are currently still being finalised and are expected to be achieved through additional procurement / third party spend savings on contract renewals and renegotiations across a range of services.	
<b>Risk Provisions</b>			
0	Risk Provisions & Contingency	<p>The risk provision budget includes the following main items:</p> <ul style="list-style-type: none"> <li>£2.000m risk provisions including £0.110m set aside centrally to cover the in-year additional costs of the new security carrier contract which otherwise would be recharged across all users of the service;</li> <li>A balance of £0.455m held centrally for Adult Social Care modernisation.</li> <li>£0.279m for other contingency items.</li> </ul> <p>A break-even position is reported at Month 7, however the overall budget position for Month 7 position indicates a number of forecast risks which may result in a call on risk provisions if these cannot be mitigated by recovery actions.</p>	
<b>Other Corporate Items</b>			

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
180	Pension Costs	This overspend relates to the budget for additional compensation payments to former employees of the Council or its predecessor authorities. The benefits are subject to annual increases in line with the September Retail Price Index (RPI) which is generally higher than our corporate inflation rates for pay costs. This had been expected to be offset by a reduction in the number of beneficiaries but this has remained fairly static. All related reserves that were being used to fund yearly fluctuations have now been exhausted.	
78	Unringfenced Grants	The shortfall relates to lower than anticipated income from the Education Services Grant.	

Housing Revenue Account - Revenue Budget Summary

Forecast Variance Month 5 £'000	Housing Revenue Account	2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
	<b>Housing Revenue Account</b>				
(13)	Employees	8,563	8,612	49	0.6%
(230)	Premises – Repair	11,199	10,908	(291)	-2.6%
(91)	Premises – Other	2,948	2,870	(78)	-2.6%
86	Transport & Supplies	3,166	3,251	85	2.7%
0	Support Services	2,249	2,249	-	0.0%
(8)	Third Party Payments	183	175	(8)	-4.4%
0	Revenue contribution to capital	22,074	22,074	-	0.0%
0	Capital Financing Costs	8,564	9,190	626	7.3%
<b>(256)</b>	<b>Total Expenditure</b>	<b>58,946</b>	<b>59,329</b>	<b>383</b>	<b>0.6%</b>
0	Dwelling Rents (net)	(50,423)	(50,404)	19	0.0%
0	Other rent	(1,412)	(1,370)	42	3.0%
14	Service Charges	(6,588)	(6,553)	35	0.5%
(5)	Other recharges & interest	(523)	(558)	(35)	-6.7%
<b>9</b>	<b>Total Income</b>	<b>(58,946)</b>	<b>(58,885)</b>	<b>61</b>	<b>0.1%</b>
<b>(247)</b>	<b>Net Expenditure / (Income)</b>	<b>-</b>	<b>444</b>	<b>444</b>	
-	Funded from Capital Reserves	-	(600)	(600)	
<b>(247)</b>	<b>Total</b>	<b>-</b>	<b>(156)</b>	<b>(156)</b>	

Explanation of Key Variances

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
<b>Housing Revenue Account</b>			
49	Employees	The forecast for employees has increased to an overspend of £0.049m. This is due to additional Agency Staff being employed to cover long term sickness/vacancy cover.	Part of this overspend (0.015 million) is offset by additional grant income from Interreg.
(291)	Premises - Repairs	The forecast for Premises - Repairs is an underspend of £0.291m as responsive repairs are forecast to underspend by £0.250m, based on current trends. There are further underspends of £0.022m in relation to Cold Water Tanks and £0.050m forecast in relation to Fire Risk works due to efficiencies. These underspends are offset by a forecast overspend of £0.026m on Void Works as the level of repairs required have been higher in recent months.	
(78)	Premises - Other	Forecast underspend on electricity and gas costs by £0.128m. Latest available consumption data suggests lower spend than originally calculated at budget setting time. This has been offset by a forecast overspend on business rates of £0.038m and on Rubbish Clearance of £0.012m.	
85	Transport & Supplies	Cost of consultancy to deliver Lean Thinking Review, £0.025m. Additional security sweeps around blocks night and day, £0.096m. Offset by £0.050m underspend in Supplies & Services efficiencies	This is currently being managed within the service by underspends elsewhere in the HRA.
626	Capital Financing Charges	Capital financing costs estimates have increased to reflect the requirement to repay £3.9m HRA debt as it matures at the end of the financial year. The original budget included £3.3m to repay debt. The additional £0.6m will be funded from HRA capital reserves	Overspend to be funded from HRA capital reserves. The HRA Capital reserves includes an element of capital receipts from Right to Buy Sales which can be used to either fund the HRA capital programme or repay debt.
42	Rents - Other	Forecast under achievement of rents for garages and car parking spaces of £0.028m. Plus a forecast overspend of £0.018m in respect of void garages and car parking spaces.	
35	Service	Service Charges to Tenants are forecast to under achieve by	

## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description	Mitigation Strategy (Overspends only)
	Charges	£0.035m. Sheltered Scheme tenants support charge and intensive housing management is forecast to underachieve by £0.026m and other service charges to tenants are forecast to underachieve by £0.009m.	
(35)	Other Income & Recharges	Other Income and Recharges is forecast to overachieve by £0.035 million. The Interreg claim is forecast to be £0.022m higher than forecast however this is offset by overspends contained within the forecasts for Employees and Transport & Supplies. Rechargeable Works is forecast to over achieve by £0.012m.	

Dedicated Schools Grant - Revenue Budget Summary

Forecast Variance Month 5 £'000	Dedicated Schools Grant (DSG)	2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Individual Schools Budget (ISB) <i>(This does not include the £7.219m school balances brought forward from 2013/14)</i>	120,109	120,109	0	0.0%
(403)	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>	12,516	11,967	(549)	-4.4%
(54)	High Needs Block (excluding delegated to Schools); <i>(This includes the £1.446m underspend brought forward from 2013/14)</i>	18,296	17,847	(449)	-2.5%
(91)	Exceptions and Growth Fund	6,070	5,953	(117)	-1.9%
0	Grant Income	(155,544)	(155,544)	0	0.0%
(548)	Net DSG Budget	1,447	332	(1,115)	-77.1%

Explanation of Key Variances

Key Variances £'000	Service	Description (Note: FTE/WTE = Full/Whole Time Equivalent)	Mitigation Strategy (Overspends only)
<b>Early Years Block</b>			
(600)	PVI Payments – 2 Year Olds	Take up is significantly less than budgeted for.	
51	PVI payments – 3 & 4 Year Olds	Take up is greater than budgeted for.	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible.
<b>High Needs Block</b>			
(23)	Education Other than at School (EOTAS)	The overspend on General EOTAS relates to Looked After Children's education costs in agency placements being £0.023m less than anticipated.	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible
18	Various	Other minor overspends.	Costs will be monitored closely over the year and efforts made to reduce costs or identify mitigating savings to bring these budgets back in balance where possible
(444)	Unspent balance brought forward from 2013/14	Unallocated balance brought forward used to cover identified overspends.	
<b>Exceptions &amp; Growth Fund</b>			
		The total underspend of £0.117m in this area relates to items specifically approved by the Schools Forum and is therefore not available for general DSG spending.	
(65)	Admissions & Transport	Staffing and other savings.	
(52)	Schools central costs	Other minor underspends.	





## Appendix 1 – Revenue Budget Performance

Key Variances £'000	Service	Description (Note WTE = Whole Time Equivalent)	Mitigation Strategy (Overspends only)
			commissioning arrangements of the service were agreed by P&R on 17th November.



## Value for Money Programme Performance (All Phases)

Projects	Savings Target £m	Achieved £m	Anticipated £m	Uncertain £m	Achieved %
Adult Social Care	2.903	0.000	0.000	2.903	0.0%
Children's Services	2.539	0.590	0.422	1.527	23.2%
Third Party Spend	2.276	0.000	1.951	0.325	0.0%
Workstyles	0.060	0.060	0.000	0.000	100.0%
Accelerated Service Redesign (FYE)	1.626	0.331	1.295	0.000	20.4%
Client Transport	0.263	0.152	0.111	0.000	57.8%
VFM Phase 4 Additional Saving	0.250	0.250	0.040	0.000	100.0%
<b>Total All VFM Projects</b>	<b>9.917</b>	<b>1.383</b>	<b>3.819</b>	<b>4.755</b>	<b>13.9%</b>

## Explanation of 'Uncertain' VFM Savings:

Uncertain Savings £'000	Description	Mitigation Strategy for Uncertain Savings
<b>Adult Social Care</b>		
2,903	Adult Social Care services had been under pressure throughout the previous financial year and this pressure is currently showing a continuing upward trend through 2015/16. This will place the achievement of VFM savings under serious threat both in the current year and beyond unless remedial action can be identified.	Financial recovery measures have been identified where possible, including one-off measures, to improve the position in-year alongside additional scrutiny that has been put in place in relation to care packages, particularly out-of-area and high cost packages, to ensure VFM and reduce costs. Mitigating cost reductions on Continuing Health Care should also aid the position.
<b>Children's Services</b>		
1,527	Appendix 1 provides details of the current pressures across Children's Services. The main pressures are arising from an upward trend in Independent Foster Agency placements (IFAs) and lower than expected recruitment of 'in-house' foster carers.	VFM and partnership work are continuing in the hope that trends can be halted and reversed through measures including Early Help strategies, recruitment of 'in-house' foster carers, and the SEN/Disability task & finish work. One-off recovery measures have been identified to mitigate the position in the current year and the forecast has seen

## Appendix 2 – VFM Performance

Uncertain Savings £'000	Description	Mitigation Strategy for Uncertain Savings
		some improvement since month 2.
<b>Third Party Spend</b>		
325	Uncertain elements concern Adult Social Care provider contract savings which are £0.141m lower than anticipated. In addition, lower than anticipated savings of £0.097m have been achievable on renegotiated Supporting People provider contracts. There is also a shortfall of £0.087m on Corporate Landlord savings due to higher than expected costs relating to 3 contracts.	<p>Adult Social Care contract negotiations are now complete and the challenging £1.000m saving target, although substantially met, has fallen short. This will need to be managed alongside other pressures across Adult Social Care as noted above and in Appendix 1.</p> <p>The Supporting People variance is being covered by additional permanent savings on HRA contracts (£0.034m) and temporary funding from Homelessness Prevention budgets (£0.063m). 2014/15 is the final year of the 4 year SP strategy and contracts are being reviewed to mitigate the temporary funding for 2015/16 and beyond.</p> <p>The Corporate Landlord shortfall will be offset overall in 2014/15, and ongoing, by increased rental incomes within the Corporate Landlord portfolio.</p>

Children's Services – Capital Budget Summary

Forecast Variance Month 5 £'000	Service	2014/15 TBM 5 Budget £'000	Reported at other Meetings £'000	New Schemes (Appendix 4) £'000	Variation, Slippage / reprofile £'000	2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Child Health Safeguard and Care	89	0	0	0	89	89	0	0.0%
0	Education and Inclusion	17,090	0	0	0	17,090	17,090	0	0.0%
0	SEN & Disability	489	0	0	0	489	489	0	0.0%
0	Schools	1,881	0	0	0	1,881	1,881	0	0.0%
0	Stronger Families Youth & Communities	420	0	0	(8)	412	412	0	0.0%
0	<b>Total Children's Services</b>	<b>19,969</b>	<b>0</b>	<b>0</b>	<b>(8)</b>	<b>19,961</b>	<b>19,961</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>Stronger Families, Youth &amp; Communities</b>				
Variation	(8)	Tamer Lift Project	Scheme has been completed and budget no longer required.	

Adult Services – Capital Budget Summary

Forecast Variance Month 5 £'000	Service	2014/15 TBM 5 Budget £'000	Reported at other Meetings £'000	New Schemes (Appendix 4) £'000	Variation, Slippage / reprofile £'000	2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Adults Assessment	423	0	0	0	423	423	0	0.0%
0	Adults Provider	81	0	0	0	81	81	0	0.0%
0	Commissioning and Contracts	124	0	0	0	124	124	0	0.0%
0	<b>Total Adult Services</b>	<b>628</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>628</b>	<b>628</b>	<b>0</b>	<b>0.0%</b>

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

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Adult Services</b>				
No Change				



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

Forecast Variance Month 5 £'000	Service	2014/15 TBM 5 Budget £'000	Reported at other Meetings £'000	New Schemes (Appendix 4) £'000	Variation, Slippage/ reprofile £'000	2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	City Infrastructure	4,916	0	0	0	4,916	4,916	0	0.0%
0	City Regeneration	3,931	0	0	69	4,000	4,000	0	0.0%
0	Planning & Building Control	481	0	0	0	481	481	0	0.0%
0	Transport	11,937	0	128	0	12,065	12,065	0	0.0%
0	Housing GF	2,034	0	100	0	2,134	2,134	0	0.0%
<b>0</b>	<b>Total Environment, Development &amp; Housing GF</b>	<b>23,299</b>	<b>0</b>	<b>228</b>	<b>69</b>	<b>23,596</b>	<b>23,596</b>	<b>0</b>	<b>0.0%</b>

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

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>City Regeneration</b>				
Variation	69	Major Projects	The Brighton Centre Redevelopment budget will now be renamed the Waterfront Redevelopment project and will now provide support for the Brighton Centre and Black Rock Site which are closely linked. An additional £0.069m is required from the Brighton centre reserve to provide ongoing support for these projects.	

### Appendix 3 – Capital Programme Performance

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

Forecast Variance Month 5 £'000	Service	2014/15 TBM 5 Budget £'000	Reported at other Meetings £'000	New Schemes (Appendix 4) £'000	Variation, Slippage / reprofile £'000	2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	City Regeneration	720	0	0	0	720	768	48	6.7%
332	Housing HRA	31,049	0	0	(780)	30,269	29,633	(636)	-2.1%
<b>332</b>	<b>Total Environment, Development and Housing HRA</b>	<b>31,769</b>	<b>0</b>	<b>0</b>	<b>(780)</b>	<b>30,989</b>	<b>30,401</b>	<b>(588)</b>	<b>-1.9%</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>				
Overspend	48	Redevelopment of HRA vacant garage sites	Overspend of less than £0.050m	
<b>Housing HRA</b>				
Budget Reprofile	(700)	Manor Place/Robert Lodge new build	Delay in project due to extended planning period. Works should start after Christmas period.	Ensure project ready to start on site in January 2015.
Budget Reprofile	(80)	Communal Boilers	Due to major boiler replacement procurement process, three tenders were received. The winning tenderer has not been used on gas works previously and has bid significantly lower than the other two contractors. This has resulted in savings and the £0.080m will be used to fund next year's contingency. No major works are planned for the first six months of the next financial year 2015/16, due to procurement of new gas partnering contract.	Programme will be continued in next financial year, during the second half.

### Appendix 3 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
Overspend	310	Roofing	Previously reported £0.500m overspend at TBM 5 for Robert Lodge and Sanders House, as roofs that are currently top of the list of poorly performing roofs and are being repaired as a priority addition to the original programme. The forecast has now reduced to £0.310m as a proportion of these works will be carried out in 2015/16.	An asset management decision in the interests of value for money to advance the Citywide programme to address poorly performing roofs which will reduce ongoing maintenance costs.
Overspend	84	Minor Capital Works	An increase in demand on the minor works capital budget has led to a forecast overspend.	Can be met through underspends elsewhere in the capital programme.
Overspend	225	Block Conversions (Evelyn Court)	Previously reported in TBM5 report to P&R Committee.	
Overspend	55	Various	Various overspends less than £0.050m – Feasibility and Design Property & Investment £0.004m, Cladding £0.047m, Ventilation £0.04m.	
Underspend	(469)	Conversions & Extensions	This project was placed on hold pending a review of the Policy.	
Underspend	(113)	Empty Properties	This project is based on a reactive (needs based) basis and the number of Empty Homes, with current forecasts of an underspend of £0.113m.	
Underspend	(99)	Structural Repairs	The cost of works at St Aubyns is lower than originally anticipated, resulting in the forecast underspend.	
Underspend	(200)	Fire Safety & Asbestos Management	Part of Bates Estate Fire upgrade works were delayed awaiting advice from the Fire Health and Safety Board.	Programme will be continued in next financial year
Underspend	(182)	Insulation	Programming of capital projects being spread out more efficiently over 2 financial years.	
Underspend	(100)	DES/CCTV	Door inspection and resulting repair/replacement programme has impacted on the Door Entry System (DES) upgrade and replacements. DES upgrade cannot be actioned until a decision is made regarding the actual entrance/exit door at blocks. Leaseholder	Programme will be continued in next financial year

### Appendix 3 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
			consultation process for door and DES is then combined.	
Underspend	(80)	Water Tanks	Three months without Building Services Engineer (now recruited via agency) has impacted on the water tank replacements/repair programme originally set up. The programme is now underway, but will not be completed within the timescale originally set.	Programme will be continued in next financial year
Underspend	(67)	Various	Various underspends less than £0.050m – City College Partnership (£0.002m), Windows (£0.038m), Fencing (£0.027m).	

Assistant Chief Executive - Capital Budget Summary

Forecast Variance Month 5 £'000	Service	2014/15 TBM 5 Budget £'000	Reported at other Meetings £'000	New Schemes (Appendix 4) £'000	Variation, Slippage / reprofile £'000	2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Corporate Policy Performance & Communities	82	0	0	(82)	0	0	0	0.0%
0	Royal Pavilion Arts & Museums	362	0	0	0	362	362	0	0.0%
0	Sports & Leisure	133	0	0	0	133	133	0	0.0%
0	Libraries	233	0	0	0	233	233	0	0.0%
0	Tourism & Venues	17,176	0	0	(5,134)	12,042	12,042	0	0.0%
0	<b>Total Assistant Chief Executive</b>	<b>17,986</b>	<b>0</b>	<b>0</b>	<b>(5,216)</b>	<b>12,770</b>	<b>12,770</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>Corp Policy &amp; Communities</b>				
Reprofile	(82)	Voluntary and Community Projects	This funding has been allocated to support the development of an Advice Hub for the City. Work to establish this at Community Base was unsuccessful and work is underway to explore the possibility of establishing the Hub at Hove Town Hall. This work will take some time and we expect there to be delays whilst the partners explore and agree options.	

### Appendix 3 – Capital Programme Performance

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Tourism and Venues</b>				
Reprofile	(5,000)	i360 Project	The project managers and the contractors for Brighton i360 have developed very detailed project plans for the construction works which have amended the spending profile over the 2 year construction period with higher levels of spending towards the latter stages of construction. There has also been a delay in the works programme but this does not currently affect the anticipated completion date for the i360.	
Variation	42	Brighton Centre Facade	Variation to budget of less than £0.050m.	
Variation	(176)	Brighton Centre Box Office	The spend to save funds of £0.176m to implement a new box office system will no longer be required as during the procurement process a variant bid came to the fore which was commercially attractive enough to ensure that these funds were no longer required.	

Public Health – Capital Budget Summary

Forecast Variance Month 5 £'000	Service	2014/15 TBM 5 Budget £'000	Reported at other Meetings £'000	New Schemes (appendix 4) £'000	Variation, Slippage / reprofile £'000	2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Public Health	252	0	0	0	252	252	0	0.0%
0	Public Protection	195	0	0	0	195	195	0	0.0%
0	Total Public Health	447	0	0	0	447	447	0	0.0%

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

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Public Health</b>				
No Changes				



# Appendix 3 – Capital Programme Performance

## Finance, Resources and Law - Capital Budget Summary

Forecast Variance Month 5 £'000	Service	2014/15 TBM 5 Budget £'000	Reported at other Meetings £'000	New Schemes (appendix 4) £'000	Variation, Slippage / reprofile £'000	2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	City Services	250	0	0	0	250	250	0	0.0%
0	Finance	0	0	0	0	0	0	0	0.0%
0	HR Organisational Development	165	0	0	0	165	165	0	0.0%
	ICT	2,758	0	0	0	2,758	2,758	0	0.0%
0	Performance Improvement & Programmes	10	0	0	0	10	10	0	0.0%
0	Property & Design	6,605	0	0	(493)	6,112	6,112	0	0.0%
0	<b>Total Finance, Resources and Law</b>	<b>9,788</b>	<b>0</b>	<b>0</b>	<b>(493)</b>	<b>9,295</b>	<b>9,295</b>	<b>0</b>	<b>0.0%</b>

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

Detail Type	£'000	Project	Description	Mitigation Strategy
<b>Property &amp; Design</b>				
Reprofile	(194)	Legionella Works, Solar Panel Implementation, Asbestos Survey and Fire Risk Assessments	An application has been made by the Twentieth Century Society to upgrade Hove Town Hall's listing as a protected building. English Heritage have met with Property & Design and Planning officers but the Council will not know the outcome of the evaluation until December, or possibly into the new year, and this will cause immediate delays to schedules for these schemes.	

## Appendix 3 – Capital Programme Performance

Detail Type	£'000 (299)	Project	Description	Mitigation Strategy
Slippage		Workstyles Phase 3 – ICT Costs	At the initial budget setting stage in September 2013, the total ICT budget was spread across the three years of implementation based on very high-level estimations. As the Workstyles programme has developed, we are able to adjust the budget profile against the timing of the activity/anticipated spend. As the plans develop further we will be fine tuning the profile accordingly.	

Corporate Services - Capital Budget Summary

Forecast Variance Month 5 £'000	Service	2014/15 TBM 5 Budget £'000	Reported at other Meetings £'000	New Schemes (appendix 4) £'000	Variation, Slippage / reprofile £'000	2014/15 Budget Month 7 £'000	Forecast Outturn Month 7 £'000	Forecast Variance Month 7 £'000	Forecast Variance Month 7 %
0	Corporate Services	25	0	0	0	25	25	0	0.0%
0	<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:

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

New Capital Project Approval Request				
Unit:	Transport - Public Transport			
Project title:	Smart & multi operator bus ticketing in Brighton & Hove			
Total Project Cost (All Years):	£98,000			
<b>Purpose, benefits and risks:</b>				
Implementation by the City Council of a smart ticketing scheme across supported bus services, utilising a managed service proposal from Go Ahead Group, who already have a successful smart ticket product in the city. Multi operator ticketing can help reduce barriers to market entry and expansion for smaller bus operators. Competition between bus operators benefits bus passengers.				
<b>Capital expenditure profile (£'000):</b>				
Year	This Year	Next Year	Year After	TOTAL
Grant: Department for Transport Section 31	35	36		71
Grant: Department for Transport Bus Service Operators	13	14		27
Total estimated costs and fees	48	50	0	98
<b>Financial implications:</b>				
The majority of the capital costs for the project (approximately 72%) have been funded by the Department for Transport following a successful bid for pilot funding for the scheme. The remainder will be funded from an underspend on Bus Service Operators Grant. This grant from the Department for Transport (DfT) can only be used on bus related expenditure, and the majority of it is already used for supported bus services. The DfT have confirmed it can be used for this scheme. The ongoing revenue costs will be met by the bus operators. There will be a role for the council in administering aspects of the scheme which will be absorbed within existing Transport budgets.				

New Capital Project Approval Request				
Unit:	Transport - Highways			
Project title:	Repair & Renew (Flood) Scheme			
Total Project Cost (All Years):	£80,000			
Purpose, benefits and risks:				
The Repair & Renew scheme is part of the Government's package of measures in response to the severe weather in winter 2013/14. Under the scheme, owners of properties that were damaged by flooding are able to claim up to £0.005m in order to carry out a range of specified works to increase resilience against future flooding.				
Capital expenditure profile (£'000):				
Year	This Year	Next Year	Year After	TOTAL
Grant DEFRA - Repair & Renew Grant	80			80
Total estimated costs and fees	80	0	0	80
Financial implications:				
It is anticipated that there will be 16 claims under this scheme so the maximum expenditure would be £0.080m. This will all be funded by a capital grant.				

New Capital Project Approval Request				
Unit:	Housing General Fund			
Project title:	Permanent Travellers Site			
Total Project Cost (All Years):	£1,834,000			
Purpose, benefits and risks:				
Capital allocation for the development of the Horsdean Permanent Travellers Site, following planning permission granted by the South Downs National Park Authority in July 2014. A grant of £1.739 million was secured from DCLG in 2008-09 to meet the costs of a Permanent Travellers' site of which £1.655m remains following costs incurred in previous years. Current estimated total capital costs are £1.834m primarily due to construction cost inflation since the original scheme proposal.				
Risks: Further delay in the development of the site could lead to further increased construction cost through inflation.				
Capital expenditure profile (£'000):				
Year	This Year	Next Year	Year After	TOTAL
Grant (please state) - Travellers grant	50	1,605		1,655
Capital Reserves		179		179
Total estimated costs and fees	50	1,784		1,834
Financial implications:				
The majority of the funding of the scheme will be from the grant of £1.655m and further contributions of £0.179m are required which are expected to be met through capital reserves following a review of the reserves, capital receipts and any underspend position as at the year end. Ongoing revenue running costs associated for, will be funded from future rental streams on the permanent traveller pitches. The pitches will also attract New Homes bonus income for the council.				

New Capital Project Approval Request				
Unit:	Housing General Fund			
Project title:	Horsdean Travellers Transit Site			
Total Project Cost (All Years):	£170,000			
Purpose, benefits and risks:				
Capital allocation to provide a design solution for foul water drainage that meets Environment Agency requirements. The drainage solution, costing an estimated £0.170m, will provide an acceptable solution for both the existing Transit site and the future permanent traveller site. These drainage improvements are required in order to keep the transit site operational.				
Capital expenditure profile (£'000):				
Year	This Year	Next Year	Year After	TOTAL
Capital Reserves	50	120		170
Total estimated costs and fees	50	120		170
Financial implications:				
There is no specific funding identified for this project and this is will need to be met through capital reserves following a review of the reserves, capital receipts and any underspend position as at the year end.				